

Interim Evaluation No. R/SR/INT/0204



**Interim Evaluation of the  
European Union  
Pre-Accession Instrument  
PHARE**

**The Slovak Republic**

**Sector: Internal Market**

**Programmes covered:  
Phare 2001/2002/2003**

- **Agriculture**
- **Cadastre, Statistics**
- **Energy, Transport**
- **Environment**
- **Finance, Banking, Customs**

**Author:**



**Interim Evaluation Report  
Date: 10 December 2004**

Controlled copy.....of.....

Signed:.....



This report has been prepared as a result of an independent evaluation by MWH being contracted under the PHARE programme.  
**The views expressed are those of MWH and do not necessarily reflect those of the Government Office of the Slovak Republic.**

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## EXECUTIVE SUMMARY

### The Slovak Republic – Internal Market

**Monitoring Reports:** M/SR/INT/04007 issued on 30 June 2004; M/SR/AGR/03007 issued on 10 May 2004; M/SR/ENV/04002 issued on 10 August 2004.

**Interim Evaluation Report:** R/SR/INT/0204

#### A) Background and scope of the evaluation

The purpose of this Interim Evaluation is to assess the performance of on-going Phare support under the Internal Market monitoring sector, assisting Slovakia in the area of agriculture, cadastre, statistics, energy, transport, environment, finance, banking and customs. This Evaluation covers Phare support allocated for the years 2001, 2002 and 2003, approximately totalling a sector allocation of 46.8 M€ from Phare and 7.0 M€ from national sources. The applied interim evaluation methodology is based on the following four main evaluation criteria: *relevance*, *efficiency*, *effectiveness*, *sustainability*, and on *impact*<sup>1</sup>. Dissenting views and comments received, which could not be incorporated into this Report, are appended.

#### B) Main evaluation findings and conclusions

In general, all of the evaluated Internal Market programmes are *relevant*, being compliant with accession-related and governmental priorities. Some **AGRICULTURE** projects were clearly top priorities as these addressed an urgent need to introduce legal measures, to establish structures and to make these operational by the date of accession. However, the design of the 2001 Market Surveillance programme neglected the co-operation mechanisms and separate projects, managed by different Ministries, could not fully meet the original aim. Moreover, due to delays, the non-food part of this programme has not addressed the actual needs. Discrepancies and duplications in the 2002 phytosanitary projects demonstrate insufficient familiarity with project design and procedures. As regards **CADASTRE** and **STATISTICS** the relevance is justified and clearly driven by accession needs. The **ENERGY** and **TRANSPORT** programmes suffered from design weaknesses but their relevance is justified. However, the 2003 Radioactive Waste Agency Programme, as designed currently, is likely to face difficulties with its timely implementation.

The **ENVIRONMENT** Component is relevant, focusing mostly on the enforcement of individual EU Directives. However, the earlier commencement of the various small projects aiming at structural funds preparation would have been beneficial. Moreover, potential overlap with bilateral assistance has resulted in a need for fiche modification

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<sup>1</sup> *Relevance*, whether the design of the project targets the needs of beneficiaries; *Efficiency*, whether the same results could have been achieved at lower costs; *Effectiveness*, whether the project purpose has been achieved; *Sustainability*, whether project benefits are likely to continue after external funding ends; *Impact*, the extent to which the benefits received by the beneficiaries had a wider overall effect.

(2003 Electric and Electronic Scrap). Support to **FINANCE**, **BANKING** and **CUSTOMS** addresses well financial management and control of public funds, financial market regulations and alignment of the Slovak customs with the EU.

Overall, the *efficiency* of the evaluated programmes is satisfactory but has varied. In **AGRICULTURE**, 2001 Market Surveillance experienced problems with co-ordination and its non-food part suffered from delays because of a lack of commitment from the Ministry of Economy. Whilst the commitment of Agriculture Paying Agency staff has been excellent, some other beneficiary institutions have not devoted sufficient capacities to manage their projects (Central Control and Testing Institute for Agriculture, State Veterinary and Food Administration). The management of some projects has been entirely left with the contractors and activities have been duplicated. In comparison with similar interventions value-for-money of some 2002 twinning light projects is not sufficiently justified, when related to the poorly reported activities (Phytosanitary Control, Registration of Producers). For some 2003 interventions, the co-ordination role for projects involving several beneficiary institutions has not been clearly assigned (Bratislava Airport BIP, Food Chain). Moreover, due to a questionable contractor performance, the 2003 Animal Protection twinning light is potentially facing difficulties if planned activities are not delivered within the remaining very tight time schedule. In the light of this situation, the plan to use the same contractor for the 2003 Food Chain project should be reviewed. **CADASTRE** has now sufficient experience to manage their projects. Regarding **STATISTICS**, the performance of the Statistical Office has been excellent. In relation to REGSTAT however, the indispensable feedback from the important Ministry of Construction and Regional Development has not been obtained. Most of the **ENERGY** and **TRANSPORT** programmes run smoothly, after having overcome some initial difficulties.

Many **ENVIRONMENT** programmes have suffered from initial delays, but causing no major difficulties in most cases for the achievement of the planned outputs. Also, **FINANCE**, **BANKING** and **CUSTOMS** show delays, resulting often in shortened implementation periods. However, the seriously delayed 2001 Management Information Systems for customs managed to achieve its purpose in less than a third of the original time planned. Effectiveness of the outcome from the 2002 Evaluation Strategy project depends on a consensus among the key stakeholders involved.

The majority of the 2001 and 2002 Internal Market interventions have already delivered or are likely to bring the planned *effectiveness*. In the area of **AGRICULTURE**, 2001 Market Surveillance food safety, the Rapid Alert System for Food and Feed Stuffs is operational. However, benefits from the non-food part were very limited. Effective training delivered for relevant bodies should enhance the local BSE safety measures. The legal framework and structures for participation in the Common Agriculture Policy have been established and are operational. In the phytosanitary area, there are no tangible achievements yet since half of the projects have not been implemented and the training benefits have not been sufficiently specified. The expected effects from the **CADASTRE** and **STATISTICS** programmes are likely to materialise. For **ENERGY** and **TRANSPORT**, the expected effects should appear in the near future, since the

majority of proposed legal measures are currently under Parliamentary scrutiny. Early establishment of the Radioactive Waste Agency, as originally assumed however, is considered unrealistic. The 2002 Decontamination project is progressing well and will fully achieve its purpose.

The various 2001 **ENVIRONMENT** interventions have, in the main, produced positive effects and there are also good perspectives for the 2002 and the upcoming 2003 assistance. The main exception is the small 2002 Structural Fund Implementation project, where the intended output still remains unclear. **FINANCE, BANKING** and **CUSTOMS** have produced remarkable effects, particularly from the 2001 funding. Overall, predictions of effectiveness for the overwhelming majority of the outstanding 2002/2003 interventions are good.

The majority of the benefits achieved for **AGRICULTURE, CADASTRE, STATISTICS, ENERGY, TRANSPORT, FINANCE, BANKING** and **CUSTOMS** are likely to be *sustainable*. Individual benefits are mostly connected with adopted legal provisions and/ or established administrative structures and systems. However, some concerns in terms of sustainability should be raised for the non-food part of 2001 Market Surveillance where one output (general web page) has no ownership and future funding has not been secured. For the time being it is also unclear whether the Ministry of Transport will succeed in its efforts to establish the Regulatory Body for Railways in time (2001 Rail Sector). Prospects for sustainability of **ENVIRONMENT** are in the main satisfactory, since the legal framework, hosting most of the programmes, has been already set out and thus, will support continuation. Sustainability of the **FINANCE** assistance will to a certain extent require more stable staffing situations at the benefiting ministerial bodies. Sustainability of the **BANKING** support will require more legislative amendments, notably for financial supervision. Advice and supplies given to **CUSTOMS** should bring sustainable results.

Overall, it is likely that the final *impact* from the evaluated Internal Market monitoring sector will gradually be integrated into economic and social performance of the country. All of the completed 2001 programmes are expected to contribute, to a varying extent, to the achievement of their overall objectives. The same positive conclusion can be drawn for the on-going 2002 and upcoming 2003 projects.

### **C) Main recommendations**

#### Addressed to Central Control Testing Institute for Agriculture/ State Veterinary and Food Administration/ Ministry of Agriculture

- For the two final beneficiaries to allocate sufficient resources for PHARE management; the Ministry of Agriculture should initiate common preparation of documents and close guidance on implementation matters for these two beneficiary institutions.
- In case of common projects, both final beneficiary institutions should agree on a clear division of tasks, and should prepare training plans.

Addressed to Ministry of Economy/ Ministry of Health/ Ministry of Agriculture

- To agree on establishing a formal body for overall co-ordination of the market surveillance in Slovakia.

Addressed to Aid Co-ordination Unit/ Ministry of Construction and Regional Development

- For the Aid Co-ordination Unit to raise at the Governmental level the question of appropriate statistical indicators (REGSTAT) in relation to the planning of the next structural funds period; this Ministry should clearly identify and provide their REGSTAT requirements.

Addressed to Central Finance and Contracting Unit

- To postpone signature of the 2003 Food Chain twinning light until it is definitely confirmed - via successful completion of the Animal Protection project - that the contractor envisaged is able to perform the contractual commitments.
- To consider carrying out a cost-effectiveness analysis of completed 2001 twinning light projects and to compare these with activities delivered through other instruments (technical assistance).

Addressed to Nuclear Regulatory Authority

- In respect to the 2003 Radioactive Waste Agency programme, to consider appropriate design changes and to propose corrective budgetary measures on time, in order to avoid any loss of funds.

Addressed to Office of the Government/ Ministry of Finance/ Ministry of Construction and Regional Development

- To request official feedback from the Ministry of Construction and Regional Development on the proposed Evaluation Strategy and to seek formal Government approval; the addressed institutions should make maximum use of the proposed Strategy, also in the absence of any firm commitment from the Ministry of Construction and Regional Development.

**D) Performance Rating**

Component/ Project	Relevance	Efficiency	Effectiveness	Sustainability	Impact	Verbal overall rating
<b><i>Agriculture</i></b>						
SR-0104.01 Ministry of Agriculture	2	1	1	1	1	S
SR-0104.01 Ministry of Economy	0	-1	0	-1	1	U
SR-0110.01.01.0007	2	1	1	1	1	S
SR-0110.01.01.0005	2	1	1	1	1	S
SR-0110.01.01.0008	2	1	1	1	1	S
2002/000-610.05	2	1	1	1	1	S
2002/000-610.06	2	1	2	1	1	HS
2002/000-610.07	1	-1	-1	0	0	U
2002/000-610.08	1	-1	-1	1	0	U
2003-004-995-03-02	1	0	1	1	1	S
2003-004-995-03-03	2	0	1	1	1	S
2003-004-995-03-04	1	0	0	1	1	S
2003-004-995-01-04 Swine Fever	1	1	1	1	1	S
2003-004-995-01-04 Audit for APA	1	1	1	1	1	S
<b><i>Cadastre and Statistic</i></b>						
<b><i>Cadastre</i></b>						
2003-004-995-02-01	1	1	1	1	1	S
<b><i>Statistics</i></b>						
2002/000-610.09	2	1	1	1	1	S
2002/000-610.10	2	1	1	1	1	S
2003-004-995-03-05	2	1	0	0	0	S
<b><i>Energy and Transport</i></b>						
<b><i>Energy</i></b>						
SR-0105	1	1	1	1	1	S
2002/000-632.09	1	1	2	2	2	HS
2003/5812.07.01	1	1	0	1	1	S
<b><i>Transport</i></b>						
SR-0106	1	1	1	1	1	S
2003 -995-01-04 Road Transport	1	1	1	1	1	S
<b><i>Environment</i></b>						
SR-0110.01.01.09	1	1	1	1	1	S
SR-0110.01.01.10	1	1	1	1	1	S
SR-0110.01.01.11	1	1	1	1	1	S
SR-0110.01.01.14	1	-1	0	1	1	S
2002/000-610.16	1	1	1	1	1	S
2002/000-610.17	1	0	1	1	1	S
2002/000-610.18	1	1	1	1	1	S
2002/000-610.02 Noise	1	1	1	1	1	S
2002/000.610-02 SF Utilisation	1	1	1	0	1	S
2002/000.610-02 SF	0	-1	0	0	0	U

Implementation						
2003-004-995-03-16	1	1	0	0	0	S
2003-004-995-03-17	1	0	0	0	0	S
2003-004-995-03-18	0	-1	0	0	0	U
2003-004-995-01-04 Capacity Building Investment Projects	1	0	0	0	0	S
2003-004-995-01-04 PCB	1	0	0	0	0	S
<b>Finance, Banking and Customs</b>						
<i>Finance</i>						
SR-0109	1	1	1	1	0	S
SR-0110.01.01.01	0	1	1	-1	1	U
SR-0110.01.01.02	2	1	2	1	1	HS
SR-0110.01.01.03	2	1	2	1	1	HS
SR-0110.01.01.04	1	1	1	1	1	S
SR-0110.01.01.06	1	1	1	1	1	S
2002/000-610.02 Evaluation Strategy	1	0	1	0	0	S
2003-004-995-01-04 IS Review	1	0	0	1	0	S
2003-004-995-01-04 IS Strategy	1	0	0	1	0	S
2003-004-995-01-04 Financial Interests	1	0	0	0	0	S
2003-004-995-01-04 Budget Evaluation	1	0	0	0	0	S
2003-004-995-01-04 Financial Controllers	1	0	0	0	0	S
2003-995-01-04 Risk Management	1	1	0	1	1	S
<i>Banking</i>						
SR-0110.01.01.13	1	1	1	1	1	S
2002/000-610.04	1	1	0	1	0	S
2003-004-995-03-01	1	0	0	1	0	S
<i>Customs</i>						
SR-0104.02	1	1	1	1	1	S
2002/000-610.20	1	0	0	0	0	S
2003-004-995-03-25	1	1	0	1	0	S
2003-004-995-03-26	0	0	0	0	0	S
2003-004-995-01-04 Naples II	1	0	0	0	0	S
<b>Taking into account the contextual constraints on the evaluation, the sector overall is rated to be 'SATISFACTORY'</b>						
<b>Internal Market Monitoring Sector</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>S</b>

Ratings guide: -2 unacceptable; -1 poor; 0 sufficient/adequate; +1 good; +2 excellent.  
HS-Highly Satisfactory, S- Satisfactory, U-Unsatisfactory, HU-Highly Unsatisfactory.

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## PREFACE

This Interim Evaluation Report covers PHARE assistance to the Internal Market monitoring sector in the Slovak Republic under the following programmes:

- SR-0104 Support of Market Surveillance System in Consumer and Health Protection;
- 2002/000-610.05 Control Transmissible Spongiform Encephalopathy – Food Safety;
- 2002/000-610.06 Development of Integrated Administrative and Control System;
- 2002/000-610.07 Enhancement of Phytosanitary Controls of Plants and Plant Products;
- 2002/000-610.08 Registration of Producers, Importers and Exporters of Plants and Plant Products;
- 2003-004-995-03-02 Support of Agriculture Food Chain in Comprehensive Food Safety Policy;
- 2003-004-995-03-03 Veterinary and Phytosanitary Border Inspection Posts – II. Phase (Bratislava Airport BIP);
- 2003-004-995-03-04 Animal Protection during Transport;
- SR-0110 Twinning Light Facility:
  - Common Agriculture Policy on Sugar;
  - Agriculture Paying Agency for EAGGF; Marking and Identification of Sheep, Goats and Pigs;
  - Harmonisation of Legislation in the Field of VAT Application within the Unified EU Market;
  - Design of Budgetary System for Contribution from/to the EU Budget after Accession;
  - Establishment of the Tax Investigation Office within the Tax Administration;
  - Performance Management in the Slovak Tax Administration;
  - Draft of Bilateral Investment Treaty Fully Compatible with Acquis Communautaire;
  - Establishment of the Protocol on Monitoring and Assessment of the Hydro-morphological Elements;
  - Optimisation of Handling with Biodegradable Waste;
  - Reference Conditions as a Basis for Classification of Surface Water; Strengthening the Banking Supervision to Implement Anti-Money Laundering Measures and Internal Ratings);
- 2002/000-610.02 Unallocated Institution Building Facility (UIBF):
  - Public Information Network on the Structural Funds Utilisation within the Environmental Sector and Preparation of the Ministry of Environment for the Proper Implementation of Structural Funds;
  - Development of Strategy for Evaluation of EU-funded Projects; Assessment and Management of Environmental Noise;
- 2003-004-995-01-04 UIBF:
  - Monitoring of Classical Swine Fever in Wild Boar;
  - Audit Assistance to APA in Execution of Audit of Guarantee Section in APA;
  - Risk Management in the Slovak Tax Administration; Road Transport (Social Legislation) Alignment;
  - Capacity Building for Effective Implementation of Environmental Acquis through Environmental Investment Projects and Institutional Strengthening of the Management of Equipment Containing PCB in Slovak Republic;
  - Review of Information System in the Revenue, Treasury, Budget and Accounting Area;
  - Strategy for Information System for Public Finance Management Reform;

Strengthening of the Protection of the Communities Financial Interests and the Fight Against Fraud;  
Capacity Building for Evaluation of the Budget and for the Public Administration;  
Training of Financial Controllers; Implementation of Naples II Convention);  
2003-004-995-02-01 Land Administration and Cadastre Infrastructure;  
2002/000-610.09 Implementation of INTRASTAT-SK System;  
2002/000-610.10 Strengthening Regional Statistics – REGSTAT;  
SR-0105 Support for the Energy Policy in the Slovak Republic;  
2002/000-632.09 Decontamination of the Bohunice NPAA-1 Primary Circuit;  
2003/5812.07.01 Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste;  
SR-0106 Rail Sector Harmonisation; 2002/000-610.16 Implementation and Enforcement of the Council Directive on Discharge of Dangerous Substances into Aquatic Environment;  
2002/000-610.17 Integrated Prevention and Pollution Control;  
2002/000-610.18 Implementation and Enforcement of Council Directive on the Conservation of Natural Habitats and Wild Fauna and Flora and Wild Birds;  
2003-004-995-16 Institutional and Capacity Building in the Environmental Sector;  
2003-004-995-17 Biosafety Monitoring System; 2003-004-995-18 Implementation of Council Directives on Electric and Electronic Scrap;  
SR-0109 Public Internal Financial Control; 2002/000-610.04 Financial Sector Supervision;  
2003-004-995-03-01 Support to the Implementation of Risk-based Supervision;  
SR-0104.02 Development of the EC Compatible National Management Information System;  
2002/000-610.20 Information System for the Administrative Units Promoting the Law Enforcement in the Slovak Customs Administration;  
2003-004-995-03-25 Supply to the Slovak Customs Laboratory; and  
2003-004-995-03-26 X-ray Inspection Systems for Protection of the Future EU External Border.

This Interim Evaluation Report has been prepared by MWH<sup>2</sup> during the period from August to September 2004 and reflects the situation at 23 September 2004, the cut-off date for the Report. The factual basis is provided by the following Monitoring Reports, covering the period from 1 January to 30 April 2004:

- M/SR/INT/04007, prepared by the Aid Co-ordination Unit and issued on 30 June 2004,
- M/SR/AGR/03007, prepared by the Aid Co-ordination Unit issued on 10 May 2004, and
- M/SR/ENV/04002, prepared by the Aid Co-ordination Unit and issued on 10 August 2004.

Other findings are based on analysis of the Financing Memoranda, formal programme documentation, interviews with the main parties and published material.

The Interim Evaluation Report examines the progress of the programmes towards the objectives stated in the formal programming documents, i.e. Financing Memoranda, Project Fiches, etc. The report is intended to provide management information for the benefit of the Joint Monitoring Committee (JMC) and other involved parties. It draws conclusions and puts forward recommendations. It provides a general assessment of programmes or components under consideration and included in the corresponding Sectoral Monitoring Report.

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<sup>2</sup> Authors: Dagmar Gombitova, Dietmar Aigner and Short Term Technical Expert Viera Gazikova. This Report has been reviewed by Dietmar Aigner (MWH Interim Evaluation Cell) and by Peter Hall (MWH Headquarters).

Comments requested on the draft version of this Report were received from the following parties:

<b>Parties invited</b>	<b>Comments received</b>
Ministry of Economy of the SR	No
Ministry of Finance of the SR	Yes
Ministry of Transport, Posts and Telecommunications of the SR	No
Ministry of Agriculture of the SR	Yes
Ministry of Environment of the SR	Yes
Ministry of Health Care of the SR	Yes
Statistical Office of the SR	Yes
Office of Geodesy, Cartography and Cadastre of the SR	Yes
Nuclear Regulatory Authority of the SR	Yes
National Bank of Slovakia	No
Ministry of Finance/ Central Finance and Contracting Unit	No
Ministry of Finance/ National Fund	No
European Commission Representation	Yes
Office of the Government/ Aid Co-ordination Unit	Yes

Where possible, the Evaluators have integrated the comments received into the Report. Dissenting views and remaining comments which could not be incorporated are in Annex 5.

The findings and recommendations of this Interim Evaluation Report have been formally debriefed in Bratislava on 09 December 2004, following an invitation of the Office of the Government of the Slovak Republic/ Aid Co-ordination Unit.

## GLOSSARY OF ACRONYMS

ACU	Aid Co-ordination Unit
AGR	Agriculture
ASMR	Administration of State Material Reserves
APA	Agriculture Paying Agency
BIP	Border Inspection Post
BNK	Banking
CAD	Cadastre
CAP	Common Agriculture Policy
CCO	Customs Criminal Office
CCSP	Centre for Chemical Substances and Preparations
CCTIA	Central Control and Testing Institute of Agriculture
CCU	Central Co-ordination Unit
CFCU	Central Finance and Contracting Unit
CHU	Central Harmonisation Unit
CUS	Customs
EAGGF	European Agriculture Guidance and Guarantee Fund
EC	European Commission
ECR	European Commission Representation
ENE	Energy
ENV	Environment
EU	European Union
FIN	Finance
FM	Financing Memorandum
FMA	Financial Market Authority
FWC	Framework contract
GCCA	Geodesy, Cartography and Cadastre Authority
GMO	Genetically Modified Organism
HRD	Human Resource Development
HW	Hardware
IA	Indicator of Achievement
IACS	Integrated Administrative Control System
IAEIP	Implementing Agency for Environmental Investment Projects
IAS	INTRASTAT Administrative Structure
IE	Interim Evaluation
INT	Internal Market
IPPC	Integrated Prevention and Pollution Control
IS	Information System
IT	Information Technology
JHA	Justice and Home Affairs
JMC	Joint Monitoring Committee
M€	Million(s) of Euro
MIS	Management Information System
MoA	Ministry of Agriculture
MoCRD	Ministry of Construction and Regional Development
MoE	Ministry of Economy
MoEnv	Ministry of Environment
MoF	Ministry of Finance
MoH	Ministry of Health
MoTPT	Ministry of Transport, Posts and Telecommunication
MR	Monitoring Report
N/A	Not available, not applicable

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NBS	National Bank of Slovakia
NF	National Fund
NGO	Non-Governmental Organisation
NRA	Nuclear Regulatory Authority
OoG	Office of the Government of the Slovak Republic
PAA	Pre-Accession Adviser
PC	Personal Computer
PCB	Polychlorinated Biphenyls
PF	Project Fiche
PFMR	Public Finance Management Reform
PIFC	Public Internal Financial Control
PIU	Programme Implementation Unit
RASFF	Rapid Alert System for Food and Feedstuff
RONI	Regulatory Office for Network Industries
RTA	Resident Twinning Advisor
SAC	Sector Aid Co-ordinator
SCA	Slovak Customs Administration
SEA	Slovak Environmental Agency
SEI	Slovak Environmental Inspectorate
SF	Structural Fund
SHMI	Slovak Hydro-Meteorological Institute
SK/SR	Slovak Republic
SNC	Slovak Nature Protection
SOSR	Statistical Office of the Slovak Republic
SPO	Senior Programme Officer
STA	Statistics
STI	Slovak Trade Inspection
SVFA	State Veterinary and Food Administration
SW	Software
TA	Technical Assistance
TIO	Tax Investigation Office
ToR	Terms of Reference
TRA	Transport
TSE	Transmissible Spongiform Encephalopathy
TW	Twining
TWL	Twining Light
UIBF	Unallocated Institution Building Facility
VAT	Value Added Tax
WB	World Bank
WFD	Water Framework Directive
WRI	Water Research Institute

## FINANCIAL AND CONTRACTUAL DATA OF THE SECTOR INTERNAL MARKET

Number	Title	Beneficiary	Contract		PHARE			Co-financing		
			start	expiry	allocated M€	com %	dis %	allocated M€	com %	dis %
<b>COMPONENT 1 – AGRICULTURE</b>										
<b>SR-0104.01</b>	<b>Support of Market Surveillance System in Consumer and Health Protection</b>	<b>MoA</b>	-	-	<b>1.900</b>	<b>95</b>	<b>78</b>	<b>0.440</b>	<b>47</b>	<b>47</b>
	Support of Food Market Surveillance in Consumer and Health Protection		08.12.02	17.01.04	0.350	100	76	0	0	0
	Equipment for Food Market Lot 1,2		31.12.02	28.02.04	0.850	92	88	0.240	87	87
	Equipment for Food Market Lot 3		13.12.02	13.02.04						
	IT for RASFF	22.05.03	22.07.05							
	Equipment for Market Surveillance System	<b>MoE</b>	22.08.03	21.10.04	0.200	66	66	0.200	0	0
	Support to Market Surveillance System		23.10.03	06.10.04	0.500	96	57	0	0	
<b>2002/000-610.05</b>	<b>Control TSE (Transmissible Spongiform Encephalopathy) – Food Safety</b>	<b>MoA</b>	-	-	<b>3.400</b>	<b>99</b>	<b>62</b>	<b>0.150</b>	<b>0</b>	<b>0</b>
	Twinning		14.01.04	13.02.05	0.350	99	68	0	0	0
	Supply of Laboratory Equipment for SVFA		05.01.04	05.03.04	0.350	87	71	0.150	87	71
	Supply of Prionic Tests		26.06.03	28.02.06	2.700	100	60	0	0	0
<b>2002/000-610.06</b>	<b>Development of IACS (Integrated Administrative and Control System)</b>	<b>MoA</b>	-	-	<b>1.800</b>	<b>91</b>	<b>53</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Development of Structures for Implementation of IACS (TW)		05.06.03	05.09.04	0.350	100	66	0	0	0
	Supply of IT Equipment for Implementation of IACS – SW		16.10.03	16.12.04	0.052	100	84	0	0	0

	Supply of IT Equipment for Implementation of IACS		10.02.04	31.07.04	0.748	86	48	0	0	0
	Pre-accreditation Audit of APA (TA)		03.03.04	03.07.04	0.410	85	37	0	0	0
	Assistance to IACS (TWL)		25.02.04	10.08.04	0.100	100	80	0	0	0
	Training on IACS Administration and Controlling (FWC)		19.03.04	19.07.04	0.140	100	62	0	0	0
<b>2002/000-610.07</b>	<b>Enhancement of Phytosanitary Controls of Plants and Plant Products</b>	<b>MoA</b>	-	-	<b>0.650</b>	<b>23</b>	<b>19</b>	<b>0.400</b>	<b>30</b>	<b>25</b>
	Training Programmes (TWL)		15.09.03	15.05.04	0.150	100	80	0	0	0
	Construction of Quarantine Glasshouse/Equipment		-	-	0.500	0	0	0.400	30	25
<b>2002/000-610.08</b>	<b>Registration of Producers, Importers and Exporters of Plants and Plant Products</b>	<b>MoA</b>	-	-	<b>0.700</b>	<b>43</b>	<b>30</b>	<b>0.200</b>	<b>0</b>	<b>0</b>
	Establishment of Registration System (TWL)		30.05.03	16.01.04	0.150	100	80	0	0	0
	Upgrade of IT System		-	-	0.400	0	0	0.200	0	0
	TA to Draft TS for Upgrade (FWC)		29.10.03	01.05.04	0.150	100	60	0	0	0
<b>2003-004-995-03-02</b>	<b>Support of Agriculture Food Chain in Comprehensive Food Safety Policy</b>	<b>MoA</b>	-	-	<b>2.000</b>	<b>0</b>	<b>0</b>	<b>0.650</b>	<b>0</b>	<b>0</b>
	Support of Agriculture Food Chain in Comprehensive Food Safety Policy (TWL)		-	-	0.150	0	0	0	0	0
	Supply of Laboratory Equipment		-	-	1.850	0	0	0.650	0	0
<b>2003-004-995-03-03</b>	<b>Veterinary and Phytosanitary Border Inspection Posts – II. Phase (Bratislava Airport BIP)</b>		-	-	<b>0.500</b>	<b>20</b>	<b>0</b>	<b>0.135</b>	<b>0</b>	<b>0</b>
	Veterinary and Phytosanitary BIP – II. Phase (TWL)		22.03.04	22.11.04	0.100	100	0	0	0	0
	Supply of Equipment		-	-	0.400	0	0	0.135	0	0
<b>2003-004-995-03-04</b>	<b>Animal Protection during Transport</b>	<b>MoA</b>	-	-	<b>0.300</b>	<b>0</b>	<b>0</b>	<b>0.100</b>	<b>0</b>	<b>0</b>

	Animal Protection during Transport (TWL)		26.04.04	26.12.04	0.120	100	60	0	0	0
	Technical Assistance		-	-	0.180	0	0	0	0	0
	Supply of Equipment		-	-	0	0	0	0.100	0	0
<b>SR-0110.01.01.0007</b>	<b>Common Agriculture Policy on Sugar</b>	<b>MoA</b>	<b>13.10.03</b>	<b>13.04.04</b>	<b>0.150</b>	<b>100</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0110.01.01.0005</b>	<b>Marking and Identification of Sheep, Goats and Pigs</b>		<b>24.10.03</b>	<b>24.04.04</b>	<b>0.105</b>	<b>99</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0110.01.01.0008</b>	<b>Agriculture Paying Agency for EAGGF</b>		<b>10.10.03</b>	<b>28.06.04</b>	<b>0.150</b>	<b>100</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003-004-995-01-04 UIBF</b>	<b>Monitoring of Classical Swine Fever in Wild Boar</b>	<b>MoA</b>	-	-	<b>0.150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Audit Assistance to APA in Execution of Audit of Guarantee Section in APA (TWL)</b>		-	-	<b>0.240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COMPONENT 2 – CADASTRE AND STATISTICS</b>										
<b>2003-004-995-02-01</b>	<b>Land Administration and Cadastre Infrastructure</b>	<b>GCCA</b>	-	-	<b>3.100</b>	<b>5</b>	<b>0</b>	<b>0.450</b>	<b>0</b>	<b>0</b>
	Land Administration and Cadastre Infrastructure – SW Customising and System Integration		-	-	1.600	0	0	0	0	0
	GCCA Management Training and Staff Development (TWL)		13.02.04	14.07.04	0.150	99	0	0	0	0
	Supply of Equipment, SW and SW System for Geographic Information System and Cadastral Graphic		-	-	0.525	0	0	0.450	0	0
	Supply of Equipment, SW and SW System for Permanent GNSS		-	-	0.825	0	0		0	0
<b>2002/000-610.09</b>	<b>Implementation of INTRASTAT-SK System</b>	<b>SOSR</b>	-	-	<b>1.500</b>	<b>85</b>	<b>53</b>	<b>0.321</b>	<b>73</b>	<b>0</b>
	TA FWC		04.07.03	28.03.04	0.150	94	56	0	0	0
	TA to SW Development and Testing of Data Processing		11.12.03	11.08.04	1.050	95	60	0	0	0
	Training of IAS staff		-	-	0.130	0	0	0	0	0
	TA to ToR and TS Preparation		24.03.03	19.04.03	0.039	99	87	0	0	0



	Supply of Technical Equipment for IAS		31.03.04	30.05.05	0.100	73	66	0.321	73	0
<b>2002/000-610.10</b>	<b>Strengthening Regional Statistics - REGSTAT</b>	<b>SOSR</b>	-	-	<b>1.000</b>	<b>92</b>	<b>45</b>	<b>0.150</b>	<b>75</b>	<b>0</b>
	Twining		04.08.03	04.12.04	0.300	100	64	0	0	0
	TA		24.03.04	23.09.05	0.450	96	58	0	0	0
	Equipment Supply Lot 2		07.05.04	07.07.07	0.013	100	0	0.150	75	0
	Equipment Supply Lot 1,3		10.05.04	10.07.07	0.237	74	0			
<b>2003-004-995-03-05</b>	<b>Enforcement of New <i>Acquis</i> in the Field of Statistics</b>	<b>SOSR</b>	-	-	<b>2.300</b>	<b>0</b>	<b>0</b>	<b>0.040</b>	<b>0</b>	<b>0</b>
	Adopting New <i>Acquis</i> Communautaire for Financial Accounts in the Statistics (TA)		-	-	0.500	0	0	0	0	0
	Statistics of Income and Living Conditions		-	-	1.050	0	0	0	0	0
	Iron and Steel Statistics (TWL)		-	-	0.150	0	0	0	0	0
	SW Development		-	-	0.480	0	0	0	0	0
	Supply of Technical Equipment		-	-	0.120	0	0	0.040	0	0
<b>COMPONENT 3 – ENERGY AND TRANSPORT</b>										
<b>SR-0105</b>	<b>Energy</b>	<b>MoE</b>	<b>03.06.02</b>	<b>30.06.04</b>	<b>0.800</b>	<b>100</b>	<b>68</b>	<b>0.100</b>	<b>0</b>	<b>0</b>
<b>2002/000-632.09</b>	<b>Decontamination of the Bohunice NPAA-1 Primary Circuit</b>	<b>NRA</b>	<b>13.05.04</b>	<b>13.05.05</b>	<b>1.250</b>	<b>75</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003/5812.07.01</b>	<b>Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste</b>		-	-	<b>0.855</b>	<b>0</b>	<b>0</b>	<b>0.085</b>	<b>0</b>	<b>0</b>
	Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste		-	-	0.530	0	0	0	0	0
	TA		-	-	0.070	0	0	0	0	0
	Technical Equipment for National Agency for Radioactive Waste		-	-	0.255	0	0	0.085	0	0
<b>SR-0106</b>	<b>Rail Sector Harmonisation</b>	<b>MoTPT</b>	<b>31.05.02</b>	<b>30.09.04</b>	<b>0.500</b>	<b>100</b>	<b>68</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003-995-01-04 UIBF</b>	<b>Road Transport (Social Legislation) Alignment</b>		<b>04.03.04</b>	<b>04.09.04</b>	<b>0.080</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>COMPONENT 4 - ENVIRONMENT</b>										
<b>SR-0110.01.01.09</b>	<b>Establishment of Protocol on Monitoring and Assessment of Hydromorphological Elements</b>	<b>SHMI</b>	<b>25.11.03</b>	<b>30.09.04</b>	<b>0.120</b>	<b>100</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0110.01.01.11</b>	<b>Optimisation of Handling with Biodegradable Waste</b>	<b>MoEnv</b>	<b>30.11.03</b>	<b>30.09.04</b>	<b>0.150</b>	<b>100</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0110.01.01.14</b>	<b>Reference Conditions as a Basis for Clarification of Surface Water</b>	<b>SHMI</b>	<b>28.11.03</b>	<b>31.08.04</b>	<b>0.150</b>	<b>100</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0110.01.01.10</b>	<b>Strengthening the Capacities for Management of Biocidal Products</b>	<b>CCSP</b>	<b>08.12.03</b>	<b>08.08.04</b>	<b>0.104</b>	<b>100</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2002/000-610.16</b>	<b>Discharge of Dangerous Substances</b>	<b>MoEnv/ SHMI</b>	-	-	<b>1.350</b>	<b>97</b>	<b>46</b>	<b>0.065</b>	<b>74</b>	<b>0</b>
	Twinning		26.06.03	26.08.05	1.165	100	53	0	0	0
	Supply of Equipment		11.05.04	11.08.04	0.185	80	0	0.065	74	0
<b>2002/000-610.17</b>	<b>Integrated Prevention and Pollution Control</b>	<b>MoEnv/ SEA</b>	-	-	<b>1.100</b>	<b>98</b>	<b>29</b>	<b>0.090</b>	<b>90</b>	<b>0</b>
	Twinning		22.01.04	22.11.05	0.830	100	38	0	0	0
	Supply of Equipment		05.04.04	05.07.04	0.270	90	0	0.090	90	0
<b>2002/000-610.18</b>	<b>Conservation of Natural Habitats</b>	<b>MoEnv/ SNC</b>	-	-	<b>1.300</b>	<b>70</b>	<b>24</b>	<b>0.115</b>	<b>100</b>	<b>0</b>
	Twinning		10.09.03	10.09.05	0.900	100	42	0	0	0
	Supply of SW		21.05.04	21.07.04	0.035	100	0	0.115	100	0
	Supply of IT		09.07.04	09.01.05	0.300	95	0	0	0	0
	Information Campaign				0.065	0	0	0	0	0
<b>2002/000-610.02 UIBF</b>	<b>Public Information Network on the Structural Funds Utilisation within the Environmental Sector</b>	<b>SEA</b>	<b>03.05.04</b>	<b>03.12.04</b>	<b>0.150</b>	<b>100</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2002/000-610.02 UIBF</b>	<b>Preparation of the MoEnv for the Proper Implementation of Structural Funds</b>	<b>MoEnv</b>	<b>06.04.04</b>	<b>06.12.04</b>	<b>0.190</b>	<b>100</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>2002/000-610.02 UIBF</b>	<b>Effective Management of the EU Funded Projects in the Field of Environment</b>	<b>MoEnv</b>	<b>cancelled</b>							
<b>2002/000-610.02 UIBF</b>	<b>Assessment and Management of Environmental Noise</b>	<b>MoH</b>	<b>13.04.04</b>	<b>13.10.04</b>	<b>0.150</b>	<b>88</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003-004-995-03-16</b>	<b>Institutional and Capacity Building in the Environmental Sector</b>	<b>SEA</b>	-	-	<b>1.000</b>	<b>42</b>	<b>0</b>	<b>0.160</b>	<b>0</b>	<b>0</b>
	Twinning		24.06.04	24.06.06	0.420	100	0	0	0	0
	TA to Staff Training		-	-	0.060	0	0	0	0	0
	SW Development		-	-	0.090	0	0	0	0	0
	Equipment for SHMI		-	-	0.130	0	0	0.050	0	0
	Supply of HW and SW for IS		-	-	0.250	0	0	0.091	0	0
	Supply of Specific SW and Licences		-	-	0.050	0	0	0.020	0	0
<b>2003-004-995-03-17</b>	<b>Biosafety Monitoring System (GMO)</b>	<b>MoEnv</b>	-	-	<b>1.200</b>	<b>25</b>	<b>0</b>	<b>0.300</b>	<b>0</b>	<b>0</b>
	Twinning		26.07.04	26.07.05	0.300	100	0	0	0	0
	Supply of Equipment		-	-	0.900	0		0.300	0	0
<b>2003-004-995-03-18</b>	<b>Implementation of Council Directives on Electric and Electronic Scrap</b>	<b>MoEnv</b>	-	-	<b>0.400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003-004-995-01-04 UIBF</b>	<b>Capacity Building for Effective Implementation of Environmental Acquis through Environmental Investment Projects</b>	<b>MoEnv</b>	-	-	<b>0.180</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2003-004-995-01-04 UIBF</b>	<b>Institutional Strengthening of the Management of Equipment Containing PCB in Slovak Republic</b>	<b>SEA</b>	-	-	<b>0.130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COMPONENT 5- FINANCE, BANKING AND CUSTOMS</b>										
<b>SR-0104.02</b>	<b>National Management Information System for Customs</b>	<b>MoF/SCA</b>	<b>27.11.03</b>	27.10.04	<b>1.500</b>	<b>96.6</b>	<b>87</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SR-0109</b>	<b>Public Internal Financial Control</b>	<b>MoF</b>	<b>21.10.02</b>	<b>11.09.04</b>	<b>1.000</b>	<b>100</b>	<b>58</b>	<b>0.250</b>	<b>100</b>	<b>85</b>

SR-0110.01.01.06	Recommended Draft of Bilateral Investment Treaty Fully Compatible with Acquis Communautaire	MoF	06.10.03	11.03.04	0.110	85	85	0	0	0
SR-0110.01.01.13	Strengthening the Banking Supervision to Implement Anti-money Laundering Measures and Internal Ratings	MoF/NBS	03.11.03	03.07.04	0.150	100	60	0	0	0
SR-0110.01.01.01	Establishment of the Tax Investigation Office within the Tax Administration	MoF	03.09.03	03.05.04	0.100	100	80	0	0	0
SR-0110.01.01.02	Harmonisation of Legislation in the Field of VAT Application within the Unified EU Market	MoF	12.05.03	30.09.03	0.070	94	94	0	0	0
SR-0110.01.01.03	Design of Budgetary System for Contribution from/to the EU Budget after Accession	MoF	18.08.03	18.02.04	0.100	84	67	0	0	0
SR-0110.01.01.04	Performance Management in the Slovak Tax Administration	MoF	01.09.03	30.04.04	0.135	94	76	0	0	0
2002/000-610.20	Information System for Customs (Law Enforcement)	MoF/SCA	-	-	4.000	86	73	1.200	0	0
	TA for IS		26.03.04	26.06.05	1.400	90	54	0	0	0
	Equipment for IS		03.12.03	02.01.04	2.600	84	84	1.200	0	0
2002/000-610.04	Financial Sector Supervision	MoF/NBS			2.000	98	0	0	0	0
	Technical and Legal Assistance		21.06.04	21.12.05	1.400	100	0	0	0	0
	SW Development		25.06.04	25.10.05	0.600	94	0	0	0	0
2002/000-610.02 UIBF	Development of Strategy for Evaluation of EU-funded Projects	OoG	13.05.04	13.09.04	0.160	100	0	0	0	0
2003-004-995-03-25	Equipment Supply to the Slovak Customs Laboratory	MoF/SCA	-	-	1.250	0	0	0.421	0	0
2003-004-995-03-01	Support to the Implementation of the Risk-Based Supervision	MoF/NBS	-	-	1.250	0	0	0	0	0
	TA		-	-	1.150	0	0	0	0	0
	SW Development		-	-	0.100	0	0	0	0	0

2003-004-995-03-26	X-ray Inspection Systems for Protection of the Future EU External Border	MoF/SCA	-	-	3.300	0	0	1.140	0	0
2003-004-995-01-04 UIBF	Strategy for Information System for Public Finance Management Reform	MoF	03.05.04	03.05.05	0.200	100	60	0	0	0
2003-004-995-01-04 UIBF	Review of Information System in the Revenue, Treasury, Budget and Accounting Areas	MoF	30.04.04	31.12.04	0.200	100	0	0	0	0
2003-004-995-01-04 UIBF	Strengthening of the Protection of the Communities Financial Interests and the Fight Against Fraud	MoF	07.07.04	07.06.05	0.200	93	0	0	0	0
2003-004-995-01-04 UIBF	Capacity Building for Evaluation of the Budget and for the Public Administration	MoF	05.08.04	05.08.05	0.200	100	0	0	0	0
2003-004-995-01-04 UIBF	Training of Financial Controllers	MoF	14.06.04	14.03.05	0.200	100	60	0	0	0
2003-004-995-01-04 UIBF	Implementation of Naples II Convention	MoF/SCA	27.07.04	27.11.04	0.047	100	0	0	0	0
2003 -004-995-01-04 UIBF	Risk Management in the Slovak Tax Administration	MoF	27.07.04	27.05.05	0.140	83	0	0	0	0

PHARE 2001: commitment deadline 31/12/03; disbursement deadline 31/12/04

PHARE 2002: commitment deadline 30/11/04; disbursement deadline 30/11/05

PHARE 2003: commitment deadline 30/11/05; disbursement deadline 30/11/06

Source: Perseus by cut-off date 23 September 2004

# 1. SECTORAL BACKGROUND AND SCOPE OF EVALUATION

## 1.1 Sectoral Background

1. This Interim Evaluation (IE) report covers PHARE support under the Internal Market (INT) sector, one of the three monitoring sectors for PHARE assistance in Slovakia. The individual programmes under evaluation are closely linked to the priorities set out in the Accession Partnership and the National Programme for Adoption of the *Acquis* valid at the time of the programmes' preparation.

## 1.2 Scope of Evaluation

2. The INT monitoring sector shows currently a portfolio of more than 100 individual interventions (programmes, projects, sub-projects), financed from the Financing Memoranda (FM) 2001, 2002 and 2003. For the purpose of the IE, the individual activities under the sector were grouped into the following Components:

- Agriculture (AGR)
- Cadastre and Statistics (CAD&STA)
- Energy and Transport (ENE&TRA)
- Environment (ENV)
- Finance, Banking and Customs (FIN/BNK/CUS)

### 1.2.1 Performance of Activities

This section provides a basic overview of activities, outputs and effects. For more detailed information on the individual Components please see Annex 6 of the Report.

### Component 1 – Agriculture

*SR-0104 Support of Market Surveillance System in Consumer and Health Protection, 2002/000-610.05 Control Transmissible Spongiform Encephalopathy (TSE) – Food Safety, 2002/000-610.06 Development of Integrated Administrative and Control System (IACS), 2002/000-610.07 Enhancement of Phytosanitary Controls of Plants and Plant Products, 2002/000-610.08 Registration of Producers, Importers and Exporters of Plants and Plant Products, 2003-004-995-03-02 Support of Agriculture Food Chain in Comprehensive Food Safety Policy, 2003-004-995-03-03 Veterinary and Phytosanitary Border Inspection Posts (BIP) – II. Phase (Bratislava Airport BIP), 2003-004-995-03-04 Animal Protection during Transport, SR-0110 Twinning Light Facility (Common Agriculture Policy on Sugar, Agriculture Paying Agency (APA) for European Agriculture Guarantee and Guidance Fund (EAGGF), Marking and Identification of Sheep, Goats and Pigs), UIBF 2003-004-995-01-04 (Monitoring of Classical Swine Fever in Wild Boar, Audit Assistance to APA in Execution of Audit of Guarantee Section in APA)*

### Activities and Outputs

3. The substantial support under the **AGR** Component aims mainly at preparation for the Common Agriculture Policy (CAP) and at harmonisation of legislation in the area of

veterinary, phytosanitary and food control, which has to be respected at the date of the accession or shortly afterwards, and its enforcement. This includes the establishment of an effective food and non-food control and operation of the rapid alert systems, strengthening screening and eradication of TSE, establishment of local institutional structures, systems and procedures necessary for the implementation of the Integrated Administrative and Control System (IACS), strengthening phytosanitary control on the future EU external borders, establishment of a registration system of producers, importers and exporters of plants and plant products, establishment of the required veterinary and phytosanitary service infrastructure, and provision of veterinary control of animal welfare during transport. Substantial support is also being provided for assisting the newly established Agriculture Paying Agency (APA).

#### Effects

4. The 2001 and 2002 AGR projects are mostly completed and with some exceptions have achieved their originally expected outputs and results. The 2001 twinning (TW) on Market Surveillance helped to introduce the Rapid Alert System for Food and Feeding stuff (RASFF) together with related legislation. The second part of the programme - training assistance for non-food market surveillance and non-governmental organisations (NGOs) dealing with customer protection - resulted in some familiarisation with the market surveillance systems running in other EU countries. The 2002 Control TSE TW has assisted in introducing standard testing procedures, rapid tests, and confirmation diagnostics. The supplied Prionic tests are likely to cover the needs of Slovakia until mid 2005. The various support provided for the IACS implementation brought benefits through drafted legislation, practical training of staff, preparation of manuals, software (SW) development, etc., and has resulted in the establishment of the IACS system, which became operational as of 1 May 2004. The 2002 Phytosanitary Control TW addressed a part of the original objectives: it provided training in phytosanitary area and familiarisation with the operation of a quarantine glasshouse which was helpful for the preparation of the proposed technical equipment supply. Regarding the 2002 Registration of Producers intervention, the TW delivered seminars on plant passports; the accompanying Technical Assistance (TA) project has analysed current registration system and technical specifications (TS) were prepared. The 2003 training project for the staff of Bratislava Airport BIP is on-going. The 2003 Animal Protection Twinning Light (TWL) was contracted in April 2004 but due to unavailability of funds the contractor refused to start. The 2003 project on Food Chain has not started yet. The majority of 2001 and 2002 AGR equipment supplies has been delivered and installed; the 2003 and 2002 supplies for the Central Controlling and Testing Institute for Agriculture - CCTIA (BIP and glasshouse) are being tendered. The implemented 2001 TWL AGR projects facilitated the actual operations of APA through on-the-job training of its staff. New modules were created for the Central Registry of farm animals serving for food safety purposes and future IACS operation.

#### **Component 2 – Cadastre and Statistics**

*2003-004-995-02-01 Land Administration and Cadastre Infrastructure, 2002/000-610.09 Implementation of INTRASTAT-SK System, 2002/000-610.10 Strengthening Regional*

*Statistics – REGSTAT, 2003-004-995-03-05 Enforcement of New Acquis in the Field of Statistics*

Activities and Outputs

5. The 2003 programme for **CAD** - comprising TWL, dealing with training activities, TA for system integration and equipment supply - is focused on the improvement of the land administration based on spatial and cadastral data, and on better public access to the land administration and cadastre data. The purpose of the interventions in the area of **STA** is to implement a comprehensive statistical system for the monitoring of the goods flow between EU Member States (INTRASTAT) and to develop a fully operational regional statistical system with improved quality of regional data (REGSTAT). The 2003 STA initiative will complete the modernisation but has not commenced yet.

Effects

6. So far only the 2003 CAD TWL, focusing on training for the Geodesy, Cartography and Cadastre Authority (GCCA) commenced and has been completed. A human resource development plan was prepared and the training initiative provided better knowledge to the top and middle management of CAD offices on EU requirements, practice and operation of land administration. The 2002 INTRASTAT projects are nearly completed. The SW system has been developed and should be fully operational by the end of 2004. The required methodologies are applied and data have been provided to EUROSTAT since 1 May 2004. Slight delays occurred at the beginning as there was a need to process historical data. For the time being some data processing is still done manually, by using the old systems. Development of the 2002 REGSTAT system is on-going and full operations are expected by January 2006. The TW has to be completed by 4 December, 2004. However, in accordance with the Covenant, the Pre-Accession Adviser (PAA) left Slovakia after the planned 12-month stay. Proposals for specifications of contents, regional breakdowns, indicator functions, system integration requirements and integration to the auxiliary information systems have been prepared and recommended.

**Component 3 – Energy and Transport**

*SR-0105 Support for the Energy Policy in the SR, 2002/000-632.09 Decontamination of the Bohunice NPAA-1 Primary Circuit, 2003/5812.07.01 Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste, SR-0106 Rail Sector Harmonisation, UIBF 2003-995-01-04 Road Transport (Social Legislation) Alignment*

Activities and Outputs

7. The 2001 assistance provided to the **ENE** sub-sector focused on support to authorities in charge of the regulation in the energy network industries, energy efficiency and renewable energies, and the management of oil stocks. The 2002 project on Decontamination of nuclear power plant is part of the process running since 1997 aiming at the removal of the reactor and decontamination of the primary cycle of the nuclear power plant. The purpose of the 2003 Radioactive Waste Agency intervention is to propose a legal, institutional and financial framework for the management of radioactive waste and subsequently to establish an IS for radioactive waste management (national



radioactive waste database). In the **TRA** area, the 2001 Rail Sector TW was implemented with the aim of harmonising the railways' legislation with the requirements of the *acquis* and supporting the establishment of an Independent Rail Regulatory Body. The 2003 Road Transport TWL focused on social legislation, namely recording equipment – digital tachographs, working and rest time.

### Effects

8. The 2001 ENE TW has mainly supported the preparation of relevant legislation such as the new Energy Act, Act on Heat and provided support in drafting and implementation of secondary legislation to the Regulatory Office for Network Industries (RONI). The 2002 Decontamination activities are running in accordance with the plan and detailed manual is being prepared. 2003 programme on Radioactive Waste Agency is still under preparation. The 2001 Rail Sector TW assisted the legal proposal drafting. The proposal including the establishment of the regulatory body as requested by the EU Directive has been just submitted for Parliamentary approval. The 2003 UIBF Road Transport TWL delivered all expected outputs and introduction of digital tachographs will become obligatory in August 2005.

### **Component 4 – Environment**

*SR-0110.01.01 Twinning Light Facility (Establishment of the Protocol on Monitoring and Assessment of the Hydro-morphological Elements; Optimisation of Handling with Biodegradable Waste; Reference Conditions as a Basis for Classification of Surface Water; Strengthening the Capacities for Management of Biocidal Products), 2002/000-610.16 Implementation and Enforcement of the Council Directive on Discharge of Dangerous Substances into Aquatic Environment, 2002/000-610.17 Integrated Prevention and Pollution Control (IPPC), 2002/000-610.18 Implementation and Enforcement of Council Directive on the Conservation of Natural Habitats and Wild Fauna and Flora and Wild Birds, UIBF 2002/000.610-02 (Public Information Network on the Structural Funds Utilisation within the Environmental Sector; Preparation of the Ministry of Environment (MoEnv) for the Proper Implementation of Structural Funds; Assessment and Management of Environmental Noise), 2003-004-995-16 Institutional and Capacity Building in the Environmental Sector, 2003-004-995-17 Biosafety Monitoring System (Genetic Modified Organisms - GMO), 2003-004-995-18 Implementation of Council Directives on Electric and Electronic Scrap, UIBF 2003-004-995-01-04 (Capacity Building for Effective Implementation of Environmental Acquis through Environmental Investment Projects; Institutional Strengthening of the Management of Equipment Containing PCB in SR)*

### Activities and Outputs

9. Overall, Phare 2002 support under the **ENV** Component is intended to strengthen environmental protection and management of natural resources in the SR via support for implementing and enforcing the requirements of various Council Directives such as Dangerous Substances, IPPC or Natura 2000. The 2003 ENV projects aim at strengthening the implementation of the environmental *acquis*, including standardisation and reporting, improving monitoring and detection of GMO, and reduction of hazardous waste from electric and electronic equipment. The various 2001 TWL and 2002/2003

UIBF projects concentrate mainly on water monitoring and policy, specific areas of waste management (such as Polychlorinated Biphenyls (PCB)) and preparation for Structural Funds (SF).

### Effects

10. The various 2001 ENV TWL have either finished or are at the final stage of implementation. The projects have brought some effects, such as a proposal for the Hydro-morphological Assessment Protocol for the SR and a model for prediction of biological reference conditions, as parts of the Water Framework Directive (WFD) enforcement. Moreover, strategies and economic instruments to handle waste from households have been delivered to be used later for improvements in waste management. The 2002 ENV programmes, being mostly in the middle of implementation, have succeeded in delivering first outputs. For instance the 2002 Dangerous Substances has already provided equipment for the reference laboratory, also, the water part of the National Pollution Reduction Programme has been completed with the relevant regulation approved in June 2004 and a database has been developed. The 2002 IPPC programme has completed the assessment of the Slovak IPPC legislation and already recommended the adoption of the secondary legislation; equipment for the mobile IPPC laboratory, hardware (HW) and SW for the Slovak Environmental Agency (SEA) has been delivered. Under the Natural Habitats programme a manual for management plans has been drafted, equipment delivered, application SW developed and the information material for the Natura 2000 campaign is drafted. Among the 2002 UIBF ENV interventions, the SF Implementation project for the Implementing Agency for Environmental Investment Projects (IAEIP) reviewed the procedures for SF investments and for the SEA (SF Utilisation) the design of an inter-active system for collection of project proposals from beneficiaries was completed. All 2003 ENV programmes are at an early stage of implementation or still at pre-implementation stage. Therefore, only very limited effects appeared so far.

### **Component 5 – Finance, Banking and Customs**

*SR-0109 Public Internal Financial Control (PIFC), SR-0110.01.01 Twinning Light Facility (Recommended Draft of Bilateral Investment Treaty Fully Compatible with *acquis communautaire*; Strengthening the Banking Supervision to Implement Anti-money Laundering Measures and Internal Ratings; Establishment of the Tax Investigation Office (TIO) within the Tax Administration; Harmonisation of Legislation in the Field of Value Added Tax (VAT) Application within the Unified EU Market; Design of Budgetary System for Contribution from/to EU Budget after Accession; Performance Management in the Slovak Tax Administration), 2002/000-610.02 UIBF Development of Strategy for Evaluation of EU funded projects, 2003-004-995-01-04 UIBF (Review of Information System in the Revenue, Treasury, Budget and Accounting Area; Strategy for Information System for Public Finance Management Reform; Strengthening of the Protection of the Communities Financial Interests and The Fight against Fraud; Capacity Building for Evaluation of the Budget and for the Public Administration; Training of Financial Controllers; Implementation of Naples II Convention; Risk Management in the Slovak Tax Administration), 2002/000-610.04 Financial Sector Supervision, 2003-004-995-03-01 Support to the Implementation of Risk-based Supervision, SR-0104.02 Development of*

*the EC Compatible National Management Information System (MIS), 2002/000-610.20 Information System for the Administrative Units Promoting the Law Enforcement in the Slovak Custom Administration, 2003-004-995-03-25 Supply to the Slovak Customs Laboratory, 2003-004-995-03-26 X-ray Inspection Systems for Protection of the Future EU External Border*

#### Activities and Outputs

11. In the main the **FIN/BNK/CUS** Component intends (i) to strengthen the local financial management and control systems and thus to support the adequate utilisation of public funds in compliance with Community standards, notably through introduction of new legislation and methodologies for budgeting, tax harmonisation and fund management, including also capacity building for control and evaluation of public funds, (ii) to strengthen the financial market supervisory institutions and procedures, including risk-based supervision, (iii) to enable exchange and processing of the information between the Slovak Customs Administration (SCA) and the EU CUS systems, together with providing equipment for detection of tax evasions and fraud in trade with agricultural products and goods of special interest, as well as illegal immigration, and (iv) to promote law enforcement by special customs administrative units.

#### Effects

12. The 2001 PIFC TW resulted in substantial training in financial control (1000 people trained), drafting of procedures for financial control of structural and cohesion funds, internal audit manuals, Concepts of Financial Management of structural and cohesion funds and has also contributed to the development of the monitoring system for structural and cohesion funds. At the same time, the MoF prepared the Concept of Internal Auditors and Financial Controllers Education, containing training activities designed by this project, which was approved by the Government in March 2004. The various 2001 TWL have brought some less substantial but tangible effects, such as a Model Investment Treaty and relevant legal explanations for the MoF, have materialised in the form of various new legal documents. The TWL assistance at the Central Tax Directorate resulted in the adoption of the new management system. The National Bank of Slovakia (NBS) has also benefited from 2001 TWL, and a Guidance Note and Audit Procedure on Anti-Money Laundering has been prepared for the NBS. Regarding the 2001 National MIS for the SCA, besides business and master plans, establishment of interfaces and links to the international high priority customs information systems, such as TARIC, Quota and Surveillance has been achieved. The programme has contributed to smooth transition of the Slovak CUS to the EU and Slovakia was among the best performing from New Member States in this area. From the 2002 IS for CUS programme, HW and SW together with the relevant training had been delivered to the CUS Criminal Office (CCO) earlier this year, however the related TA is still on-going. Similarly, the 2002 Financial Market Supervision programme is at the early stage of implementation. Under 2002 UIBF a comprehensive Evaluation Strategy for EU funded projects, by utilising the experience gained from pre-accession funds has been drafted. Regarding the 2003 programmes under this Component, none of the projects has made any substantial progress yet.

## 2. EVALUATION RESULTS

### 2.1 COMPONENT 1 – AGRICULTURE

#### 2.1.1 *Relevance*

13. The design of **AGR** Programmes clearly followed accession priorities and reflected mainly the most urgent needs that had to be satisfied by the date of EU accession. The overall objectives and project purposes were consistent. The Indicators of Achievement (IA) could not always be considered valid since they lacked baselines; benchmarks sometimes being vaguely specified or in some exceptional cases having no direct relation to the purpose and project activities (see Annex 1). Quite often, those implementing projects did not know why (and/or by whom) the original project proposals were drafted because of personnel changes and the long periods from programme design to its physical delivery. More specifically, the following points can be made:

- Both parts of 2001 Market Surveillance were highly relevant at the design stage, focusing on the development of integrated market surveillance bodies in the food and non-food sector. However, the development of integrated bodies would automatically assume common activities of the responsible authorities whilst the design refers to separate projects, implemented by different institutions (MoA and Ministry of Economy – MoE), without any links. Moreover, the projects were not implemented simultaneously. Due to delays in contracting, the non-food part (MoE) - transformed from TW into TA - started only at the time when the food market surveillance TW (MoA) was completed. The TA activities, originally supposed to help mainly in the related legislative work, did not correspond anymore with the original target situation, since the harmonisation of the entire legislation had to be completed before the TA project could start. The TA was thus re-designed, trying to fit some training activities into the original design, whilst respecting the general objective.
- 2002 Control TSE has been addressing the urgent matter of BSE prevention, control and eradication of TSE via assistance to the Slovak Veterinary and Food Administration (SVFA) and other relevant institutions. A substantial proportion of the allocation was earmarked for the supply of Prionic (BSE) tests, which was considered to be an urgent priority.
- The 2002 IACS support was highly relevant since an obligatory IACS system has to be established in accordance with EU Regulations for EAGGF. The project activities built upon previous PHARE support. The TA projects assisted with SW development, and ensured also complementary training for the staff of the APA administering the system, applicants and advisory bodies involved in the application procedures.
- 2002 Phytosanitary Control has been primarily focused on the construction of a quarantine glasshouse. Although such a facility is not an obligatory EU condition, it can assist in improving phytosanitary inspection capacities. The original project purpose, referring to a strengthening of the phytosanitary control on the future EU external border (adequate training of relevant staff), is relevant but due to the absence of a clear training concept, the activities undertaken are likely to be

duplicated<sup>3</sup>. Moreover, the scope of TWL activities was for unknown reason substantially reduced, compared to the original ToR.

- 2002 Registration of Producers deals with a registration system, complying with EU standards. Having only 3000 registered farm entities in Slovakia would not indicate much relevance, however, as a part of a complex system connected with all other registries and plant passports the intervention makes sense. The ToR given for TWL and TA duplicated the objectives but eventually the TWL proposal reduced the original scope and ensured some training on registration and plant passports. The TA has been divided into two parts, dealing with legislation review and with the preparation of TS for the IT system. System development and HW supply should follow.
- The 2003 AGR interventions are relevant, but design is weak. The objectives are laid down very generally and therefore it has been difficult to identify appropriate IAs. The proposed projects would have been more relevant if implemented earlier. 2003 Food Chain focuses on food safety measures. 2003 Bratislava Airport BIP is well oriented on the completion of BIPs at the external EU border, but training should avoid any duplication with phytosanitary projects. The 2003 Animal Protection intervention is addressing the need to confirm that valid legislation and practice are in line with requested standards and offers some necessary training.
- 2003 UIBF provides relevant complementary support to operations of the APA, whilst the other part of 2003 UIBF is focused on the alignment of the system for the control of animal contagious diseases.

### 2.1.2 Efficiency

14. The overall programme co-ordination of the **AGR** sub-sector is delegated to the MoA/ Programme Implementation Unit (PIU). The PIU provides resources for programming, co-ordination, monitoring and reporting. From the administrative point of view it performs well, however co-ordination with and among the various ministerial institutions is still not optimal. Communication with immediate beneficiary institutions is lengthy and does not always lead to quick solutions.

15. The physical implementation of the food part of 2001 Market Surveillance was entrusted to the MoA's Department of Food and Nutrition in co-operation with the SVFA and other relevant bodies<sup>4</sup>. MoA programme implementation runs smoothly. The non-food part, under the responsibility of the MoE, experienced a number of problems: apart from delays caused by unsuccessful tendering and the need to transform the original TW into a TA project, willingness and commitment to the Programme were not always clearly demonstrated by the MoE. The project was finally given to the Slovak Trade Inspection (STI) under very limited participation of MoE. A part of the activities was devoted to about 40 NGOs, and have been very difficult to co-ordinate. The initial timing failed and so the equipment for STI was delivered before the start of the accompanying TA. At present the supply is only partly used while part of it (the servers) has not been

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<sup>3</sup> The total number of CCTIA staff at BIPs does not exceed 20 people. Taking into account training provided within the 2002 Registration of Producers and 2003 Bratislava Airport BIP projects, duplication of training activities is likely to happen.

<sup>4</sup> Slovak Agriculture and Food Inspection, Food Research Institute and State Health Institute.

unpacked nearly for a year, waiting for the completion of the IT system, financed by the state budget. Co-operation between the food and non-food part of the Programme has been absent. However, at the ministerial level (MoA, MoE and Ministry of Health - MoH), a co-operation agreement concerning market surveillance has been signed and some co-operation has been established. With the exception of regular requests for a monitoring report, no other communication has been visible between STI and the Implementation Unit at the MoE. Apart from the 2001 TWL Marking and Identification project, implemented by the respective MoA's Departments, the rest of the 2001 TWL projects were implemented directly at APA. Because of the urgent need to get the newly recruited APA staff rapidly acquainted with their tasks, projects were running without substantial difficulties.

16. The 2002 Control TSE project, implemented by SVFA, has not encountered any substantial difficulties. Also, for the 2002 IACS Programme, carried out at the newly established APA, no major problems have occurred despite time constraints<sup>5</sup> and lack of experience of the contractor with the simplified IACS scheme that finally had to be introduced. Both the 2002 Phytosanitary Control and 2002 Registration of Producers interventions are implemented by the CCTIA. The Director of the Institute supervises the projects whilst individual activities are implemented by the experts at the respective CCTIA departments. Based on the TWL final reports (also for Registration of Producers, run by the same contractor), there is an impression that project co-ordination was entirely left with the contractor and thus seemed to be a crucial part of the contractor's activities. Apart from an unexplained substantial reduction of activities in comparison with the original ToR, poor project reporting does not enable the tracing of the actual training work (in terms of details on duration, topics, number of participants). Efficiency is also questioned in relation to ten study tours conducted: the Frankfurt airport BIP was visited seven times and thus some of the participants saw it several times. Although this BIP deals with a wide number of diverse activities this seems excessive. Cost-efficiency is also questionable for the TA project under Registration. Despite the fact that it covers two parts - legislation analysis and TS, it is rather costly<sup>6</sup>. As there is no consistent training plan and numerous training activities are taking place also within the 2003 Bratislava Airport BIP project, for both SVFA and CCTIA, duplications are likely. Such an overlap was also reported on IT specification done by TWL and TA for the Registration project. Involvement of SVFA and CCTIA staff into a common project would also require a clear division of tasks to administer and co-ordinate individual project activities. The same comment applies for the upcoming 2003 Food Chain where the TWL requires more attention in terms of co-ordination due to the involvement of various institutions.

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<sup>5</sup> The decision on the simplified IACS scheme was only adopted in December 2003 but the system had to be up and running as of 1 May 2004.

<sup>6</sup> For comparison: the costs for preparing TS for an IT system under STA (total investment 1.05 M€) have been 0.039 M€. TS costs for the IT system for Registration (total investment 0.400 M€) have been 0.150 M€, however.

17. 2003 Animal Protection implemented by the SVFA experienced some delay from the contractor due to the delayed advance payment<sup>7</sup>. Only by the date of this IE, the contractor announced arrival - six months after contract signature - and expects to deliver all originally foreseen activities within the two months period left. If this is possible, it is questionable why the project duration was stated as eight months. The same contractor is also expected to be assigned for 2003 Food Chain. The 2003 UIBF AGR initiatives are likely to follow a positive implementation scenario.

### 2.1.3 Effectiveness

18. The effectiveness of the **AGR** assistance is generally better when projects are managed within one institution. This is the case for the 2001 Market Surveillance programme. The food part met its objective and set up the necessary legal basis and structures for the RASFF. The delayed non-food part brought some benefits for the STI controllers through the lectures, in particular, for areas where no previous experience exists (e-market). Similar effects can be reported for the NGOs. However, the programme objective, identical with the purpose of the non-food part, referring to the setting-up of a global, co-ordinated and efficient market surveillance system in the SR, has not yet been achieved. The recent EC mission has confirmed that Slovakia still lacks an overall co-ordination body in this area. The 2001 TWL Facility projects achieved their expected results and thus complemented the IACS effort to make APA fully operational. As regards the 2002 Control TSE it is likely that the objective – TSE screening in line with regulation - will be achieved. After initial delays and uncertainties, 2002 IACS made rapid progress and the remarkable achievements are confirmed via initiated operations of APA for implementing the CAP and for running unified systems for direct subsidies and support to farmers.

19. A part of the 2002 Phytosanitary Control intervention has eventually materialised in the form of a processed TS for the glasshouse. Although the construction of the glasshouse itself is only about to start, some concerns have been raised that the equipment supply tender, due to its complexity, might not be successful; the clarification process took quite long and the last-minute contracting approach is quite risky taking into account the investments already made from local sources. It is difficult to judge the results of training, since only very limited feedback is documented on the benefit of seminars, but the beneficiary institution expressed their satisfaction in particular with study trips. The 2002 Registration of Producers has not achieved the objective yet. For the TWL part, the same comment applies as for the Phytosanitary Control project – insufficient reporting and unclear output. The IT system has still to be developed. Even compared with the modest budget of these two interventions, the effective outcome from the TWL operations is disappointing. The 2003 Food Chain should meet its generally defined objective provided that no problems occur with the contractor performance<sup>8</sup> and co-ordination is properly managed. The 2003 Bratislava Airport BIP is awaiting the equipment delivery and following the accomplishment of training activities the BIP should be fully operational in line with the required standards. Success of the 2003 Animal Protection will require the concentration of all available resources on training

<sup>7</sup> Advance payments for all started 2003 projects were delayed because of late transfer of funds from the European Commission to the National Fund.

<sup>8</sup> The same contractor as for the seriously delayed 2003 Animal Protection has been selected.

activities in order to implement this TWL project within a two months period, instead of the planned eight. Although coming rather late it should assist veterinary inspectors to understand better the implications of the respective EU Directives. Prospects for timely effectiveness of the 2003 UIBF projects are good.

#### 2.1.4 Sustainability

20. The majority of the completed projects under the **AGR** Component have achieved sustainable results, particularly those projects, which have assisted with the establishment of legal frameworks or administrative structures required in relation to the Slovakia's EU membership. This is applicable to the partial achievements of 2001 Market Surveillance and 2002 IACS including the related 2001 TWL Facility projects. Sustainability measures are however absent for the NGO part of the non-food Market Surveillance project where for example one of the outputs – general web page for NGOs - is not financially secured and funds for its future maintenance remains unresolved. The benefits achieved from other 2002 programmes are likely to be sustainable as they are also closely related with the obligation to comply with EU Directives in the area of veterinary, phytosanitary and food control (Control TSE, Phytosanitary Control, Registration of Producers). However, the timely completion of the glasshouse and the IT system is an inevitable prerequisite for securing sustainability. Similar prospects can be expected in relation to 2003 Bratislava Airport BIP and also for the 2003 Food Chain, 2003 Animal Transport and 2003 UIBF projects, provided that they manage to achieve their purpose.

#### 2.1.5 Impact

21. All interventions supported within the **AGR** sub-sector have contributed or will contribute to the achievement of the overall objective formulated as harmonisation with the *AGR acquis*. In general, a significant contribution has been made to the building of legislative, administrative and institutional structures, necessary for the implementation of the Common Agricultural and Structural Policy. For those interventions that have not been completed, or started, the probability of such a contribution is high but clearly depending upon successful project implementation.

## 2.2 COMPONENT 2 – CADASTRE AND STATISTICS

#### 2.2. Relevance

22. The objectives set out for the 2003 **CAD** programme reflect adequately the need to comply with EU requirements in the area of geo-spatial information. The programme is a follow-up of previous PHARE assistance. The IAs set out in the project fiche (PF) are measurable. Also, the objectives stated for the 2002 **STA** programmes are consistent and clear. The IAs are valid and allow the verification of the achievement of objectives. Both 2002 STA programmes have been targeted on duties indispensable for Slovakia under membership conditions and are highly relevant. The INTRASTAT programme dealt with the development of a tool enabling unified statistical processing of data on trading of goods between member states and reporting to EUROSTAT from the date of accession. REGSTAT is being developed with an aim of gathering and storing of data for the regional development purposes. The data will be provided for the public sector



and regional authorities (SF programming, monitoring and evaluation), for other external users as well as for reporting to EUROSTAT and other international institutions. The 2003 STA programme will focus on three particular areas: (i) social, (ii) financial accounts, and (iii) iron and steel, in order to comply with the new *acquis* in STA. The design of the programmes in general is adequate.

### 2.2.2 *Efficiency*

23. The management structure of PHARE programmes for **CAD** has been strengthened. At the GCCA, currently five staff members are allocated to deal with EU agenda/PHARE assistance. Project implementation should not encounter any substantial difficulties. Co-financing has raised some questions but these are likely to be resolved in co-operation with the Central Financing and Contracting Unit (CFCU). As regards **STA**, strong ownership and commitment to the successful completion and maintenance of project results is evident at the Statistical Office of the Slovak Republic (SOSR). Technical implementation and monitoring of INTRASTAT was given to the Department of External Trade Statistics. The necessary co-operation arrangements with the tax offices work well. The involvement of CUS was not originally assumed, but it was found appropriate to involve them and all necessary arrangements are settled. Delay in the implementation was caused by the necessary transfer from TW to TA due to absence of bidders from other member state administrations. REGSTAT rests with the Unit of Regional Statistics. The identification of input data as well as specification of outputs for final users (ministries, regional government) initiated the co-operation with these bodies. However, only little feedback came from the Ministry of Construction and Regional Development (MoCRD), which should have an important role in the specification of the required data in relation to their tasks in SF management and other regional development initiatives. The 2003 STA programme is likely to follow an efficient pattern; the respective SOSR departments will manage the implementation and no substantial problems are envisaged.

### 2.2.3 *Effectiveness*

24. The training project of the 2003 **CAD** Programme has already achieved its purpose. Information on new trends in provision of products and services, financing, and public-private partnership provided to the trainees resulted in new ideas for the future operation of CAD. The upcoming TA dealing with institution building and system integration is likely to achieve some progress towards building a client-oriented institution. However, in order to achieve operational (not technical) standards of GCCA comparable with other member states, enormous efforts are needed to overcome internal and external resistance, as well as the legal limitations in changing the status of GCCA. Concerning the **STA** sub-sector, 2002 INTRASTAT has practically achieved its purpose. Although the IA is not fulfilled yet, as the INTRASTAT system is not *fully operational*, the compulsory statistical reporting is already being provided in line with EUROSTAT requirements. The short time for SW development has not allowed it to be fully operational as of 1 May 2004. However, the pilot testing has been run, adjustments are taking place and by the end of 2004 the system should be fully operational as requested. REGSTAT has completed its methodological and design part and currently the system development is taking place. It should become operational from 2006 onwards since some time is needed

to fill it with data, following the system development. The 2003 STA will be implemented in a similar professional manner and should be effective as well.

#### 2.2.4 Sustainability

25. Sustainability of the 2003 **CAD** training project has been secured via training of trainers approach. For the future activities, system integration is likely to be sustainable as well as most of the technical solutions. As regards CAD institution building, it is currently difficult to predict the quality of the project outputs and subsequently their sustainability. Regarding **STA**, sustainability of INTRASTAT and REGSTAT is in both cases fully assured. Identical positive prospects are expected for 2003 STA as all the programmes set up essential systems, providing regular compulsory statistical data reporting for EUROSTAT and other international institutions.

#### 2.2.5 Impact

26. In general, no major difficulties are expected to endanger the impacts resulting from the 2003 **CAD** Programme. Similarly, all **STA** programmes are likely to contribute to the achievement of their wider objective referring to the compliance with the *STA acquis*.

### 2.3 COMPONENT 3 – ENERGY AND TRANSPORT

#### 2.3.1 Relevance

27. Regarding the **ENE** and **TRA** interventions under this Component the following aspects can be noted:

- The intervention logic of 2001 ENE Policy was confused. Overall objective and project purpose are identical and the IAs intend to measure the achievement of objectives through adopted legislation. Otherwise, the programme comprises clearly separated tasks, implemented by three different institutions (Regulatory Office for Network Industries (RONI), Administration of State Material Reserves (ASMR) and MoE/Section of Energy Policy). The assistance has been relevant mostly focusing on drafting and commenting of legislation, in respect of EU requirements.
- The 2002 horizontal initiative dealing with Decontamination of the Bohunice nuclear power plant, polluted after series of accidents, is relevant and should contribute to the related governmental decision in order to overcome this substantial environmental risk.
- The 2003 horizontal ENE programme on Radioactive Waste Agency is not questioned in terms of relevance, but as regards results and realistic timing of the envisaged activities. Usually, governmental policies are not in favour of establishing new institutions (in particular if similar bodies exist and there is no obligation from the EU). The intended training and supply for such an Agency may, therefore, encounter some difficulties. Following preparation of the feasibility study, there is not much time left to complete the study, to await the decision on establishment of the Agency, and subsequently, to specify the necessary equipment and to employ and train the new staff.

- Both TRA interventions responded to the urgent needs of harmonisation of legislation connected with the EU accession process. The design of the 2001 Rail Sector TW was logically correct but did not take into account that the achievement of the project purpose *adoption of legislation* was behind the scope of the immediate project possibilities. Moreover, there were no risks identified in the PF. The risk for timely effectiveness and impact of the assistance (particularly for the support to any new Regulatory Body), which eventually materialised, had been already identified in the previous IE.
- The 2003 Road Transport TWL, although having a similar design nature did not repeat the previous TRA design mistakes. The project focused on introduction of digital tachographs. As a slight modification, the original training input was correctly replaced by a training needs analysis.

### 2.3.2 Efficiency

28. Regarding the **ENE** sub-sector, with the direct involvement of three beneficiary institutions, the management and co-ordination of the 2001 ENE Policy TW did not encounter any substantial difficulties. One person was assigned at each institution as a permanent TW contact point. A steering committee comprising representatives of all involved institutions was created to evaluate the progress and to agree measures. The TW partner assigned experts with the required expertise for individual institutions and apart from planned activities, ad-hoc advice was additionally provided when requested. The involvement of the MoE's Implementation Unit was not very apparent. The 2002 project on Decontamination is well managed by the Nuclear Regulatory Authority (NRA) in close co-operation with the beneficiary institution – Slovak Electricity Company (unit dealing with nuclear energy equipment and radioactive waste) - and under active participation of the contractor. Apart from the questionable timing, no difficulties are expected with the management of the 2003 Radioactive Waste Agency Programme.

29. The 2001 Rail Sector TW under the **TRA** sub-sector was managed without substantial difficulties despite changes in the position of Pre-Accession Adviser (PAA) and Slovak Project Leader. The Section of Railway Transport at the Ministry of Transport, Posts and Telecommunication (MoTPT) was in charge of physical implementation but had no previous experience with international projects. The PAA and his team provided supervision for drafting legislation. The establishment of the Rail Sector Regulatory Authority was originally expected in autumn 2003 - as a result of the project activities - following approval of the respective Act by the Parliament. However, due to delays in the approval, the Authority has still not been established. A TW extension was requested until September 2004, in order to finance study trips for the new incoming staff of the Authority. Unfortunately, even by the termination date of the extended TW, Parliamentary approval has still not been given and the contract has expired without the final activity taking place. The 2003 TWL project on Road Transport runs smoothly; minor changes in activities were flexibly introduced in order to reflect changing needs.

### 2.3.3 Effectiveness

30. The 2001 ENE Policy TW provided the required support to the relevant **ENE** authorities dealing with oil stocks, energy efficiency and regulation of network industries and thus fulfilled the project expectations. Although the original plans expected the approval of the Acts on Energy and Heat by June 2003, both legal documents are still waiting for Parliamentary approval. RONI has particularly benefited from TW advice on secondary legislation. However, the proposal for building up and financing oil stocks to a 90 day-level, developed for ASMR, has not been transformed into any reasonable result yet. Currently, the decision is awaited to incorporate ASMR into the MoE structure. The 2002 Decontamination programme is well placed to achieve its objective and to contribute to the sustainable improvement of nuclear safety in Slovakia. The 2003 Radioactive Waste Agency initiative has to be implemented in a rather difficult period, coinciding with the on-going privatisation of the Slovak ENE sector, and therefore its future prospects and development of the envisaged Agency within the remaining time are unlikely to be achieved. Despite the fact that the 2001 Rail Sector TW in the **TRA** area delivered its expected outputs, in terms of effectiveness it has failed, since the misleading project purpose *Establishment of an Independent Rail Regulatory Body* could not be achieved by such a project. Whilst the eventual adoption of the majority of drafted legislation can be expected, the future of the part concerning the establishment of the Rail Sector Regulatory Authority is difficult to predict. If the amendment is approved without changes it is likely to experience various difficulties with its enforcement because of state budgetary reasons. The recently completed Road Transport TWL provided the expected support for social legislation in this area. Incorporation of the recommended changes and actual adoption of legislation should take place in the first half of 2005, in order to make the use of digital tachographs obligatory from August 2005 onwards. The necessary changes in the institutional framework and competencies among institutions dealing with road transport safety (MoTPT, National Labour Inspectorate, Police and Metrology Authority) will take longer as they require amendments of several acts.

### 2.3.4 Sustainability

31. Provided that the proposed legislation, drafted with the assistance of the ENE Policy, Rail Sector and Road Transport projects, will gain Parliamentary approval without any substantial changes and in reasonable time, sustainability prospects for **ENE** and **TRA** interventions are high. It is likely that most of the proposed legal changes will be adopted since these address obligations that have to be respected by Slovakia as an EU member. However, the planned time schedules may not be fully respected because of budgetary constraints. The results of the 2002 Decontamination programme should become self-sustainable and the developed decontamination concept will facilitate the sharing of the experience elsewhere. For the 2003 Radioactive Waste Agency intervention, the concerns about timing have already been raised and therefore sustainability prospects can be judged only when the project is finally implemented.

### 2.3.5 Impact

32. The transposition of EU legislation in both **ENE** and **TRA** sub-sectors will contribute to the market liberalisation and promotion of competition and thus will enhance the quality and effectiveness of local services. In the case of the 2003 Road

Transport project the direct impact towards the increase of road safety is obvious. The 2002 Decontamination project will improve nuclear safety<sup>9</sup>, while 2003 Radioactive Waste Agency has the potential to improve radioactive waste management.

## 2.4 COMPONENT 4 – ENVIRONMENT

### 2.4.1 Relevance

33. Design arrangements for the ENV assistance are relevant in general. Individual overall objectives are broadly designed, as in the 2003 ENV programmes. The quality of IAs has improved, compared with earlier projects; some of them however still omit benchmarks in order to be measurable (see Annex 1). More specifically, the following design points for ENV can be noted:

- The 2001 TWL for the SHMI (Protocol on Monitoring of Hydro Elements; Classification of Surface Water Status) are complementary to previous PHARE assistance in the area of implementation of water directives, and more specifically to the 2002 TW on Discharges of Dangerous Substances. The projects appear to be practical and the experienced beneficiary has contributed to their detailed design, notably in the field of water monitoring. The TWL on Biodegradable Waste addresses the problems of waste management in municipalities and is well designed to deliver practical inputs. The Biocidal Products project also focuses on relevant ENV legal adaptations.
- The 2002 Dangerous Substance intervention is another follow-up to several interventions by different donors, including PHARE, in the area of water. The programme, consisting of TW and equipment supply, is logical. The TW is placed again at the SHMI and the Resident Twinning Adviser (RTA) and his team use links with other relevant 2002 and 2003 TW, especially the 2002 IPPC programme, which have not been formally requested. The TW scope appears to be rather ambitious. The 26 month duration should allow the completion of all parts, including the few currently delayed activities.
- Though the IPPC legislation was approved by the Parliament in summer 2003, Slovakia still needs to take steps towards its implementation and the 2002 IPPC programme is relevant. The TW part now includes the previously envisaged separate TA element for SW development. Whilst the Slovak Environmental Agency (SEA) is the key beneficiary for the IS development, close involvement of other MoEnv institutions – SHMI and Slovak Environmental Inspectorate (SEI) - has proven, from the past, to be crucial for successful implementation.
- The 2002 activities on Implementation and Enforcement of the Council Directive on Conservation of Natural Habitats and of Wild Fauna and Flora and on the Council Directive on Conservation of Wild Birds focus mainly on developing the Natura 2000 network in Slovakia. The Programme is adequately split into TW, HW supply, SW and small-scale TA. Complementary activities, such as development of a management plan for the national park in the High Tatras, are being funded from the Danish bilateral assistance.

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<sup>9</sup> The A-1 reactor was subject to several serious accidents with impacts on safety, health and environment. It is recognised by the international community and in particular in the EU, that such reactors should be brought into a safe condition as soon as possible.

- Two of the 2002 UIBF ENV projects focus on SF preparation, namely SF Utilisation and SF Implementation, with the SEA and the MoE/ Implementing Agency for Environmental Investment Projects (IAEIP) as main beneficiaries. The topic of both interventions is highly relevant, however their timing is questionable. At least the latter project should have been implemented much earlier since the originally envisaged key output, namely SF manuals, were produced by the Slovak side in the meantime without any assistance. The project on Noise is part of the process of legal harmonisation in the ENV area.
- 2003 ENV Capacity Building is a complex intervention covering a very broad area of activities ranging from standardisation of data flows, support to the SEA networking role, SEI data management up to assistance to the SHMI in air pollution. The common theme is building of an IS and its links to the European Environmental Agency. The programme is split into TW, two Framework Contracts (FWC) and three supply contracts. Such rather fragmented architecture implicitly requires effective co-ordination of all key players and individual sub-projects – envisaged to be performed by the SEA and the respective RTA.
- The 2003 GMO programme aims at implementing the amended GMO Council Regulation, which came into force in 2003. The assistance is split between supply of laboratory equipment and TW. Currently, the non-EU origin of the envisaged equipment causes difficulties with procurement. The TW has a logical architecture covering all different GMO areas, ranging from GMO inspection capacity and laboratories, to reporting, risk management and public information.
- The 2003 TA (previously designed as a TW) on the implementation of the Council Directive on Electrical and Electronic Scrap should have assisted in harmonisation of the relevant legislation, adaptation of the Slovak Waste Management Programme and collection of end-of-life equipment from industries. However, the original PF had to be changed due to a potential overlap with Danish bi-lateral assistance. At the time of this IE, approval of the revised version is awaited.
- After cancellation of one of the projects, two ENV interventions are remaining under the 2003 UIBF. Capacity Building for Investment Projects is relevant but would require co-ordination with similar SF preparation projects in this area as it aims at human resource development with regard to large investment projects for the MoEnv/Department of Programme Management. The PCB project is well designed with a logical sequencing of activities, covering the previously less well assisted area of waste management.

#### 2.4.2 Efficiency

34. All 2001 ENV TWL have suffered from delays in launching activities due to a variety of reasons. Timely results of the 2001 TWL on Reference Conditions for the SHMI have been adversely influenced by the late delivery of data from the Water Research Institute (WRI). The project objectives were finally achieved, although not on the level it had been expected at the beginning. In the main however, after finally launching the operations, the 2001 TWL projects have mostly delivered their expected results without major difficulties. The Biocidal Products project was implemented by the Centre for Chemical Substances and Preparations. Strong commitment and ownership of the project has been demonstrated. The 2002 TW on Dangerous Substances suffered from

various delays, mostly on the Slovak side, such as withdrawal of private companies from intended pilot projects, changed MoEnv priorities when preparing the Pollution Reduction Programme or objections to contracting from non-winning companies in the case of preparation of database. Again, the delays experienced do not seem to be detrimental and the experienced team of twinners plus enough remaining time should guarantee the implementation of all planned activities. Savings, generated from the WRI equipment purchase totalling 0.055 M€ are now being used to help regional and district offices to improve their reporting and communication to the SHMI. For the 2002 IPPC programme, the delays caused problems in implementing some activities, such as TS preparation for the supply part, which had to be remedied by the Slovak side. Also, the wide area of IPPC requires close co-operation with other key stakeholders, namely SHMI and SEI, which was not originally foreseen in the planning documents. The 2002 Natural Habitats programme, particularly its TW, has been influenced by delays in passing the relevant legislation, needed to harmonise Slovak provisions with the Habitats Directive.

35. The 2002 UIBF SF Utilisation project for the SEA has not experienced difficulties with efficiency. Efficiency of the 2002 UIBF SF Implementation project for the IAEIP however, has been poor because some of the planned activities, due to their urgency (such as development of SF manuals) had to be completed by the beneficiary. The 2002 UIBF project on Noise has been running well. 2003 Capacity Building seems to have a smooth start with good and supportive co-operation, notably in its TW part. However, some delays have appeared in the case of tendering the 2003 GMO laboratory equipment due to its origin in the USA. The situation with 2003 Electric and Electronic Scrap was unsatisfactory at the cut off of the IE, since approval of the modified PF was still awaited; delays in its implementation are likely. Delays have appeared also in implementing the 2003 UIBF ENV projects as ToR for both projects had to be modified since no offers were received for the first call.

#### 2.4.3 Effectiveness

36. Most of the 2001 TWL ENV assistance will bring effects, particularly once the MoEnv approves the assisted relevant documents, such as the Hydromorphological Elements Protocol and the Final Map of Surface Water Typology (required by the WFD) or once municipalities have started to manage their biowaste using economic instruments, resulting from 2001 TWL. The 2001 project on Biocidal Products prepared recommendations for the full transposition of EU Directives and a part of the assisted legislation is already enacted. The performance of the National Competent Authority, responsible for biocides management, has been also improved. There are positive prospects for 2002 Dangerous Substances to fulfil its purpose, focusing on *implementation of the EC Directive on water pollution*, since the programme has already contributed to the strategic Pollution Reduction Programme; the main parts of the database developed for dangerous substances is now functional and the pilot work with selected private companies is progressing well. From the 2002 IPPC programme a good contribution to the very broad project purpose aiming at *the IPPC Directive implementation* is expected, due to the legislation outputs already achieved, and also due to promising progress on the development of the IPPC IS. The 2002 Natural Habitats programme should have its effects, contributing to *the development of Natura 2000*, once

the planned activities are fully implemented next year. The 2002 UIBF SF Utilisation project for the SEA performs well with regard to its effectiveness both in preparing the interactive collection system and also in the training element for the SEA's Regional Environmental Consultation and Information Centres. The parallel 2002 UIBF SF Implementation project for the IAEIP has lost some of its potential effects due to its late timing, when some of the planned deliverables were outdated (such as SF manuals) and also because of unforeseen problems with the planned monitoring simulation (the monitoring exercise appears to be impossible once more users share the system). Substitution of the cancelled activities is still possible at the time of this IE. The 2002 UIBF project on Noise is likely to deliver all expected results and the new legislation should be fully harmonised and enforced.

37. For the 2003 Capacity Building programme, no effects have materialised yet. However, once all the designed activities for establishment of the IS are implemented, the fulfilment of its purpose aimed at *standardisation and rationalisation of reports* towards the EU should be achieved. Provided that the expected heavy investment in upgrading the three GMO laboratories in Slovakia under the GMO programme is successfully delivered, the achievement of the respective purpose in the area of *establishment of a competent national system for detection and quantification of GMO* is likely. The detailed design of the 2003 Electric and Electronic Scrap TA has still not been finalised at the time of this IE, leading to unclear prospects for effectiveness. In principle, the planned activities should lead to some reduction in hazardous waste of electric and electronic equipment. The 2003 UIBF ENV projects are at pre-implementation stage at the cut off date of this IE. Due to the design of the Capacity Building for Investment Projects some moderate effects are likely to be achieved in capacity building for the MoEnv for future managing the environmental infrastructure investments. The PCB intervention, being oriented mostly on IS development and training, should in principle result in a more effective management of equipment containing PCB.

#### 2.2.4 Sustainability

38. Sustainability of the 2001 ENV TWL seems to be sufficiently secured, especially once the MoEnv approves relevant documents produced under the assistance (notably on WFD implementation, including the Final Map of Surface Water Typology) later this year. The output of the Biowaste intervention, having clear linkages to the Waste Management Programme (scheduled until 2005), should be sustainable, at least in the mid-term horizon. The same assumption is valid for the assistance delivered in the field of Biocides management.

39. Some output of the 2002 Dangerous Substances TW has already materialised in legal documents, such as in the Pollution Reduction Programme, and more can be expected next year when the specific part of the document on dangerous substances has to be amended. Moreover, the water management database should improve the relevant reporting to the EU. Equipment supply for the WRI should be self-sustainable, especially once it is applied for serving the National Reference Laboratory. For the 2002 IPPC programme, the delivered equipment should become self-sustainable, especially once the National Training Centre is established next year. Likewise, the IS development for the



SEA, once operational, should be sustainable. Effects resulting from the Natural Habitats programme have not reached sustainable status yet, however good prospects exist especially for the HW and SW parts, once they are used by the Slovak Nature Conservation (SNC) and its 25 departments in Slovakia for performing better monitoring, reporting and control functions. Sustainability of the envisaged management plans will depend on its actual future implementation in the relevant Natura 2000 sites.

40. The 2002 UIBF SF Utilisation project should be sustainable, such as the interactive collection system for SF project proposals, once the complementary IT is secured from other external resources, including the 2003 Capacity Building TW. Also, the developed training pool of SEA consultants should become sustainable, at least in the mid-term, since all trained staff have had to commit themselves for a three-year period. The SF manuals reviewed for the IAEIP (2002 UIBF SF Implementation), once approved by auditors, should be sustainable. Similarly, there are good chances for the proposed guide on eligible costs, once finished, to be disseminated and used by SF beneficiaries. The 2002 UIBF Noise results achieved, having the form of executive directives/guidelines to the newly adopted Act on Noise, should be self-sustained.

41. Regarding the 2003 Capacity Building programme, sustainability of the IS should be assured, when they are used in the work of SEA and other MoEnv institutions involved in reporting towards the EU. Likewise, the 2003 GMO assistance should be sustainable, especially once the laboratories assisted have been accredited. In the absence of an approved final PF, prediction of sustainability for the 2003 Electric and Electronic Scrap programme is difficult. The 2003 UIBF projects should bring some sustainable outcomes, such as better managed large-scale environmental infrastructure projects or a professional IS on the equipment containing PCB used by the SEA/Centre of Waste and Environmental Management.

#### 2.4.5 *Impact*

42. Overall, the final impact of the **ENV** Component is likely to materialise in a few years time, as a contribution to improved environmental conditions and decreased health risk. With very few exceptions, the various 2001 ENV TWLs should have some positive impact, notably in contributing to fulfilment of the WFD. For the 2002 ENV programmes positive prospects for impact are expected, once successfully completed. The 2002 Dangerous Substances programme should provide valuable impact in terms of improved quality of water once the whole Pollution Reduction Programme is implemented, including the measures for decreasing dangerous substances in water. Also, a positive impact on the IPPC implementation, namely via secondary legislation and operational IS, can be expected, though this complex Directive requires more time and resources to be fully implemented. The 2002 intervention in Natural Habitats should positively contribute to an increased protection of fauna, flora and habitats, through implementation of management plans in the relevant sites and also via improved monitoring and reporting functions of the SNC. Whilst SF Utilisation should bring some positive impact on the SF management once the pool of consultants provides the advisory work to potential clients, only a very limited impact can currently be expected from the

SF Implementation, due to unclear reduction/ modification to the originally planned activities.

43. Potentially high impact can be expected from the 2003 ENV programmes. The 2003 Capacity Building intervention should have positive impact on the reporting process towards the EU and also among the key stakeholders, once the foreseen IS is operational. Moreover, the GMO TW should clearly contribute to the implementation and enforcement of the respective ENV *acquis*. Prospects for impact from the 2003 Electric and Electronic Scrap TA are currently unclear, due to the absence of an approved PF. 2003 UIBF projects are relatively small to have a broader impact, however some impact might be achieved from the SF Utilisation and SF Implementation projects, in terms in more professional ENV investments, to be managed by the respective MoEnv staff. Also, the PCB intervention should help to fulfil Slovakia's obligations for disposal, inventory and reporting on PCB.

## 2.5 COMPONENT 5 – FINANCE, BANKING AND CUSTOMS

### 2.5.1 Relevance

44. Assistance under **FIN/BNK/CUS** is mostly oriented towards EU accession issues and seems to be demand-driven. The individual objectives are relevant, though broadly defined and sometimes not supported by valid and measurable IAs:

- 2001 PIFC intended to implement an adequate internal financial control system, in line with the respective Community Directives. The programme, delivered as TW, focused on four key activities: (i) strengthening system of PIFC of the Central Harmonising Unit (CHU) and Internal Audit Unit of the MoF, line ministries and spending centres, (ii) enhancement of financial management of SF and cohesion funds, (iii) training of financial controllers, internal auditors and staff of the CHU, and (iv) defining and establishment of the monitoring system for SF and cohesion funds.
- 2001 National MIS represents a key assistance for CUS. The shift in the design from TW to TA was not only a result of insufficient offers received during the selection phase but also because of a lack of experience from the side of beneficiary with PHARE assistance. The Programme is being implemented now only four years after its initial design and the physical implementation period had to be shortened by two years. However, the design seems to be now well-targeted and relevant.
- The 2001 TWL project Bilateral Investment Treaty was originally designed to focus on the investment treaty with the USA. However, this issue was solved in September 2003. The content of the assistance, which ended up as a FWC, was then flexibly re-designed to solve open issues in the area of investment treaties. The 2001 TWL projects in the area of budget and taxation were highly relevant and mostly reflected urgent needs connected with the accession process of SR. They assisted to fulfil necessary membership obligations in the public finance area. The 2001 Anti Money Laundering TWL tackled the anti-money laundering topic with inter-sectoral linkages to the Justice and Home Affairs sector, and as such was relevant.

- The 2002 UIBF Evaluation Strategy project, initiated by the Office of the Government (OoG) of the SR, is relevant; it correctly addresses the need to introduce evaluation as a tool of transparency, accountability and management for initiatives funded from EU/ public sources.
- 2002 Financial Sector Supervision is relevant due to the envisaged merger of the Financial Market Authority (FMA) with the banking supervision, carried out by the National Bank of Slovakia (NBS), into one regulatory body under the NBS by the end of 2005. Due to the lack of sufficient proposals the intended TW was transformed into TA. The intervention offers assistance to the FMA on capital market and insurance and to the NBS on banking supervision. The design (covering legal assistance, training and assessment and IS development) is logical.
- 2002 IS in CUS, again envisaged as TW, is being delivered in the form of TA and supply (HW and licensed SW purchase) with another supply of HW for a back-up centre, being tendered from savings. This relevant programme for the Customs Criminal Office (CCO) - having cross-sectoral character, namely in connection with the fight against crime – aims to use an IS for integration of information and its analysis, in order to avoid potential frauds in the field of CUS.
- 2003 UIBF brings a broad menu of projects mostly in a form of a FWC: IS Review and IS Strategy have clear linkages to Slovakia's Public Financial Management Reform (PFMR) and to the complementary World Bank (WB) loan in the area of improvement of the IS at the MoF. Both projects were originally foreseen for WB financing but missed the deadline for submission of proposals. The TWL assistance on Risk Management, provided to the Tax Directorate, addresses relevant capacity building activities for the tax management. The Protection of Financial Interests project, focusing on sound financial management of EU funds, is relevant following the audit findings for the Extended Decentralised Implementation System (EDIS). The Budget Evaluation project is linked again to the PFMR and to the 2002 UIBF Evaluation Strategy project for the OoG, spreading evaluation culture to all public funds. Training of Financial Controllers is a follow-up of the 2001 PIFC intervention, dedicated for ex-post financial controllers, and fits into the overall theme of improvement of financial management of public funds.
- A very modest TWL under 2003 UIBF for the CUS, Naples II Convention should be relevant when providing training for the CUS Central Co-ordination Unit, and thus improving the management of internal EU borders.
- The 2003 Risk-based Supervision, now envisaged as TA (again no TW partner could be found) and SW development, for the NBS and the FMA is a clear follow-up of the 2002 assistance to the FMA, adding risk-supervision into the know-how transfer and implementation of the Basel II provisions, together with a focus on new clients, such as e-businesses and pension funds, which is a relevant design for the needs of the new economy.
- Regarding the 2003 CUS investment, the Supply for the CUS Laboratory delivers special equipment facilitating determination of the origin of AGR products. The X-ray Inspection Systems programme is to install stable and mobile x-rays at the Slovak Eastern border. Thus, both projects incorporate JHA elements. It is therefore surprising that though the X-ray Inspection Systems project mentions the

Border and Alien Police among its end users, no linkages to the Schengen preparation are mentioned in the programme documents. Both 2003 CUS projects also stipulate conditionalities requiring timely preparation of sites prior to the equipment delivery. The design of the X-ray Inspection Systems programme has to be slightly changed now, due to the promised gift of an X-ray system for CUS from China, resulting from bilateral political negotiations, which has to be considered in the final design.

### 2.5.2 Efficiency

45. Regarding **FIN**, proper efficiency of the 2001 PIFC programme was adversely influenced by the overall staff cut at the MoF. Currently, the CHU has only eleven staff which represents three persons less compared with the past IE. Also, the absorption capacity of internal controllers in the regions, due to the on-going Public Administration Reform, remains limited. The TW was extended by three months and during this no extra-cost extension, additional training activities and also manuals were produced. In general, the 2001 TWL FIN projects run smoothly and co-operation worked well. The activities were carried out as planned and minor adjustments were flexibly adopted once needed.

46. The 2002 UIBF Evaluation Strategy project has been implemented in co-operation with the Aid Co-ordination Unit (ACU) at the OoG. The non-participation of all concerned authorities at the design stage has been reflected in the unwillingness of some important bodies to co-operate during the implementation. Subsequently it has been difficult for the contractor to receive sufficient feedback on the draft produced and to facilitate some consensus on the final strategy. The Strategy contractor is, in parallel, also leading a TA project for SF preparation at the MoCRD/ Community Support Framework, where the major criticism on the Evaluation Strategy project has appeared. Apparently, co-ordination on the contractor's side failed to stimulate co-operation between these two projects and to reach some synergy effect, which could have been helpful for smoother implementation. Apart from the MoCRD, the other key stakeholders involved (OoG, MoF) basically support the Strategy, currently approaching its final design. The 2003 UIBF projects for the MoF are mostly at pre-implementation or early implementation stage. However, the bulk of them, being complementary to the WB projects for implementing the PFMR, require co-ordination with the other donor activities. Therefore, a MoF Steering Committee has been organised monthly and is performing adequately.

47. The Anti Money Laundering assistance to the NBS under 2001 **BNK** TWL had to be transferred from TW into a FWC due to lack of interest from the side of member states causing some delays. After resolving these initial difficulties, the project is making satisfactory progress. Efficiency of the 2002 Financial Market Supervision has also suffered from delays for the same reasons. The overall duration of the assistance has been shortened by six months, with no detrimental effects on implementation. The 2003 Risk-based Supervision Programme is at its contracting stage, demonstrating sufficient efficiency.

48. In the area of **CUS**, overall co-ordination of the 2001 National MIS and of the 2002 IS for CUS rests, apart from the overall co-ordinating MoF/ Unit of Foreign Assistance, with the Slovak Customs Administration (SCA)/ IT Section and Customs Criminal Division. The smooth co-ordination of activities and professional approach on the side of contractor and beneficiary the 2002 CUS Programme has led to good prospects for all activities to be implemented within less than a year (though originally planned for three years). Some savings, totalling 0.5 M€, generated from purchase of servers and personal computers under the 2002 intervention will now be used for additional HW for the back-up centre of the CCO which is logical. Both 2001 and 2002 CUS programmes perform well. Efficiency of the 2003 CUS investment programmes, namely the X-ray Inspection Systems intervention has suffered from an unpredictable overlap with Chinese bi-lateral assistance, and thus the relevant TS is now being re-drafted. The small 2003 UIBF intervention for CUS is at a pre-implementation stage with no substantial difficulties so far.

### 2.5.3 Effectiveness

49. Concerning **FIN**, 2001 PIFC has clearly contributed to the fulfilment of its purpose focusing on '*implementation of an adequate internal financial control*' via its output, such as development of audit trails, manuals for financial control and internal audit, concepts of SF financial management of SF, training of 1000 employees and the prepared Concept of Internal Auditors and Financial Controllers Education. However, some effects of the assistance have been lost due fluctuation of staff and on-going internal reforms (decrease from 44 to 36 internal auditors in regional offices). With one exception (TIO Establishment), all 2001 FIN TWL projects have delivered their expected benefits, mostly in the form of adopted legal acts and staff of the concerned MoF departments, prepared for their new tasks after the EU accession. In case of the support provided to TIO, all planned outputs were produced, however, taking into account the limited competencies of TIO and the likely abolishment of the beneficiary institution within short time, the actual benefit from the project has not materialised.

50. Provided that all concerned parties come to a consensus, the 2002 UIBF Evaluation Strategy project is likely to produce some benefits. For the time being, PHARE and SF are seen as two different instruments (the one finishing, the other about to start) with no linkages at all and therefore efforts are taken to separate all activities instead of using the knowledge and experience accumulated from the pre-accession operations for the future. The 2003 UIBF IS Review and IS Strategy projects for the MoF should bring concrete effects when choosing the methodology for information collection and choosing a strategy on IS support including a business model. Moreover, the 2003 UIBF Protection of Communities Financial Interests should contribute to prudent financial management of the NF and the chosen IAs. The Budget Evaluation intervention should bring some effects when establishing an evaluation structure for public funds, as intended in its design. Risk Management for the taxation area should become effective as well. The 2003 UIBF Training of Financial Controllers once implemented as designed should contribute to execution of sample checks of the total eligible expenditure of the SF, cohesion funds and Schengen facility.

51. In the area of **BNK**, the NBS has already benefited from practical effects of the 2001 TWL when implementing the anti-money laundering manual. The 2002 Financial Sector Supervision is at an early stage of implementation however, the fulfilment of the relevant purpose in the area of *enhancement of supervision of the financial sector* is expected, assuming that the relevant legislation will pass through Parliament later this year and the new merged regulator can be established by early 2006. Both parts of the 2003 TA to the Financial Sector Supervision have been at pre-implementation stage, however the purpose- focusing on *establishment systems of risk-based supervision over the financial market* - is achievable once the assistance is fully implemented. The legislation base for the adoption of the Basel II as planned under this 2003 Programme is very challenging, which however, might also be the case for most of the EU member states.

52. 2001 National MIS has made a remarkable progress towards *enabling exchange of processing data between the SCA and the EU systems*, since by 1 May 2004 the Slovak CUS was made fully operational and linked to the priority EU systems, with the lower prioritised systems to be linked soon. Also, the 2002 CUS programme, intending to establish a *functional IS for special customs law promoting units*, will make a positive contribution, since the necessary HW and licenses have already been purchased and the analytical stage of the IS development is progressing satisfactory. The 2003 CUS investments have good chances to achieve their purposes. Notably, 2003 Supplies for CUS Laboratories, once the new equipment has been delivered, should contribute to both *determination of goods' origin* and also *detection of tax evasions*. Likewise, the delivery of the 2003 X-ray Inspection Systems should improve the functioning the EU external border and should help to prevent illegal trade and migration. However, as the TS was still under preparation at the time of this IE, the actual physical form of the equipment and its location has still to be confirmed. Activities of the 2003 UIBF project on Naples II are starting only in October 2004; however in principle it should result in some effects for the development of staff, responsible for implementing this Convention.

#### 2.5.4 Sustainability

53. Regarding **FIN** support, sustainability for the 2001 PIFC, depending on stable staff of the beneficiary institutions, namely internal audit units and spending centres and line ministries, shows mixed expectations. Though under the TW more than 1000 people were trained, due to the on-going fluctuation in the civil service, some benefits will be lost. The 2001 TWL assistance in the area of Bilateral Investment Treaty has brought sustainable outputs, for example, the Model Treaty now being used when re-negotiating the treaties with around 20 countries. The majority of 2001 TWL projects on taxation and budget produced valuable sustainable results. However, the project assisting TIO did not produce sustainable benefits, since after the adoption of the new Act - currently under Parliamentary approval - TIO will probably be abolished. Whilst it is possible that some of the trained staff will apply the gained knowledge when working in other positions within the tax administration, such likelihood is difficult to assess.

54. At the time of this IE, any prospects for sustainability of the 2002 UIBF Evaluation Strategy have been awaiting resolution of the question on whether any final agreement

could be reached on the common use of the output. Regarding 2003 UIBF projects for the MoF, their sustainability depends often on the successful implementation of the challenging overall PFMR. However due to the governmental backing and also key involvement of the WB (with PHARE playing a complementary role), the PFMR's completion is extremely likely, thus helping to make PHARE assistance (such as IS Review and IS Strategy) sustainable.

55. For the 2001 TWL Anti Money Laundering in the **BNK** area some sustainable outputs as the manuals were produced and are being used in practice by the banking sector. Forecast on sustainable achievements from the 2002 and 2003 Financial Sector/Risk-based Supervision programmes are positive, though depending on the relevant legislation regarding the super-regulatory body under the auspices of the NBS, still to be endorsed by the Parliament.

56. Most of the outputs already achieved by the **CUS** interventions (2001 National MIS and 2002 IS for CUS) are likely to be sustainable, also supported by national co-financing, mostly in the form of complementary HW and communication networks. The SCA appears to be committed to finance the future maintenance and upgrade of systems, currently being developed under PHARE. Positive predictions of sustainability remain also for the TA elements of the 2002 IS for CUS, due to professional competence of the SCA staff. The 2003 CUS investments should be self-sustainable, provided the complementary training is delivered well and the equipment used in practice. However the situation with the actual delivery of the X-ray Inspection Systems was unclear at the time of this IE, and also in terms of future sustainability. The 2003 UIBF Naples II intervention has not been implemented yet. Any sustainability will depend on consolidation of staff of the unit responsible for internal management of the Convention, which is difficult to predict.

#### 2.5.5 Impact

57. Concerning the **FIN** sub-sector, the impact of 2001 PIFC in terms of *strengthening of the public internal financial control system* will be positive in the longer-term, since the assistance has succeeded in delivering valuable effects, such as development of audit trails, significant training and manuals, plus support in development of the SF monitoring system. The planned full impact might not be secured due to consequences of the ongoing decentralisation process, where regional offices do not have to dispose on posts for internal auditors, and thus their overall number is likely to be decreased. Also public administration reform has led to staffing cuts at the MoF itself with the CHU having less staff as well. Though the TWL 2001 Bilateral Investment Treaty represents a relatively small intervention, it contributed to compliance with the relevant *acquis*. Treaties for 18 countries with the potential to influence the macro-economic situation of the SR were developed according to EU rules. All other 2001 TWL projects in the area of taxation and budget should contribute to the better ability of the SR to fulfil its membership obligations.

58. The possible impact of the 2002 UIBF Evaluation Strategy project is clearly linked to the final decision on the drafted proposal. Provided some final document is accepted

and adopted by the Government it should contribute to the promotion of the evaluation culture in SR. Most of the 2003 UIBF MoF projects covering specific areas, such as IS Strategy or Budget Evaluation should contribute (together with other donor interventions, namely the WB projects) to the successful implementation of the Government's PFMR which should result in a substantial overall impact on the improved management of public funds.

59. In the **BNK** area, the 2001 TWL, which helped to implement anti-money laundering measures in the banking sector, should bring some impact and an overall decrease of financial crime. Provided that the 2002 Financial Sector Supervision activities, aimed at the FMA and the NBS banking supervision, are all implemented as planned and the new joint regulatory body to oversee the Slovak financial market is established, PHARE assistance will have a positive impact on the achievement of an integrated and efficient financial market. The 2003 Programme in the area of Risk-based Supervision once backed by the required legal amendments should bring new elements into financial sector supervision via implementation of Basel II, thus having good prospects to increase the macro-economic efficiency of financial supervision.

60. The 2001 National MIS has resulted in good preparedness of the SCA *to meet the obligations for EU accession*, and thus its likely impact is positive. Slovakia was among the best prepared new member states in the area of **CUS**, on 1 May 2004 and thus no significant difficulties are expected at the borders after accession. Positive impact expectations can be given for the 2002 IS for CUS, facilitating border-related law enforcement and detection concerning transit of drugs, psycho-tropic substances, pistons, precursors etc., in medium-term, thus ensuring *enforcement of the law and revealing heavy crime in smuggling, economic crime and frauds*. The 2003 CUS investments are likely to make a successful contribution to the enforcement of the CUS *acquis*. The 2003 UIBF project Naples II is too small to bring substantial impact, however in the mid-term it has potential to assist in implementing the relevant Convention, focusing on improvement of the management of the EU internal borders.

## 2.6 SPECIFIC ISSUES

61. The 2002 UIBF ENV project focusing on Effective Management of the EU-funded Projects was cancelled and the allocation has been earmarked for other projects under 2002 UIBF.



### 3 CONCLUSIONS AND RECOMMENDATIONS

#### 3.1 CONCLUSIONS AND RECOMMENDATIONS

##### *3.1.1 Relevance*

62. In general, the evaluated **AGR** programmes are relevant, fully compliant with EU CAP and governmental priorities. Some projects were clearly top priorities as these addressed an urgent need to introduce legal measures, establish structures and make them operational by the date of accession. The usual design weaknesses – general project purposes and invalid IAs - are still identifiable, mostly in the 2001 initiatives. Design of the 2001 Market Surveillance programme neglected the required co-operation mechanism and separate projects managed by different Ministries could not meet fully the original aim. Moreover due to the delays, the non-food part of this programme has not been addressing the actual needs. Discrepancies and duplications in ToR of the 2002 phytosanitary projects prove insufficient familiarity with project design and procedures. As regards **CAD & STA** the relevance is justified and clearly driven by accession needs. Primarily INSTRATAT, but also REGSTAT, with a less tight deadline, belong to the priority measures to be set up for reporting to EUROSTAT. The **ENE&TRA** programmes, in particular the 2001 initiatives, suffered from some design weaknesses but their relevance is justified. The projects in the nuclear energy field respond to the identified needs but the 2003 Radioactive Waste Agency programme, as designed currently, is likely to face difficulties with timely implementation.

63. In the main, the **ENV** Component is relevant, focusing mostly on the enforcement of the individual Directives in the area of water, waste or IPPC. However, an earlier start of the various UIBF projects aiming at SF preparation would have been beneficial. Potential overlap with bilateral assistance has caused a need for PF modification (2003 Electric and Electronic Scrap). Overall, the **FIN/ BNK/ CUS** Component is relevant with its sub-components addressing financial management and control of public funds, financial market regulation and alignment of the CUS with the EU. Many interventions here, especially the 2003 UIBF projects, are closely linked to the PFMR and the WB programme in this area. However, some interventions originally designed as TW, had to be transformed into TA at a later stage, which caused implementation delays.

##### *Efficiency*

64. The efficiency of the **AGR** programmes varied. 2001 Market Surveillance experienced problems with co-ordination and its non-food part suffered from delays because of the lack of MoE commitment. Whilst the commitment of MoA/APA staff has been clearly demonstrated, some other beneficiary institutions have not devoted sufficient capacities to manage their projects (CCTIA, SVFA) and lacked PHARE experience. The management of some projects has been entirely left with the contractors and activities have been duplicated. In comparison to similar interventions value-for-money of some 2002 TWL projects is not sufficiently justified, compared with the poorly reported activities (Phytosanitary Control, Registration of Producers). For some 2003 interventions, the co-ordination role for the projects, involving more beneficiary

institutions has not been clearly assigned (Bratislava Airport BIP, Food Chain). Moreover, due to questionable contractor performance, the 2003 Animal Protection TWL is potentially facing difficulties if the planned activities are not managed within the remaining very tight time schedule. In the light of this situation, the plan to use the same contractor for the 2003 Food Chain TWL should be re-assessed. As regards **CAD&STA**, CAD has now sufficient experience to manage its projects. The efforts and commitment demonstrated by the Statistical Office have been excellent and substantially contributed to the project success. For STA, the required co-operation linkages were established in relation to REGSTAT, however no feedback from the important Ministry of Construction and Regional Development has been obtained yet. The usual implementation weaknesses were identified for 2001 **ENE&TRA** programmes. Management of the 2003 Decontamination programme provides a very clear structure and tasks assignment both, at the level of direct beneficiary institution and contractor.

65. Efficiency of the **ENV** programmes has suffered from different forms of delays at pre-implementation and implementation stage, but in most cases, no major difficulties for achieving the planned outputs have resulted. The **FIN/BNK/CUS** Component has incurred several delays, resulting often in shortened implementation periods; however, for instance the heavily delayed 2001 MIS programme achieved its purpose in less than third of the original time. There has been also some insufficient absorption capacity apparent (2001 PIFC). The 2002 UIBF Evaluation Strategy project experienced co-ordination deficiencies, which have adversely affected the delivery of results.

#### *Effectiveness*

66. The majority of the 2001/ 2002 **AGR** interventions have already been delivered or are likely to bring the planned benefits. In the area of Market Surveillance food safety, the RASFF is operational. However, benefits of the non-food part were rather limited and the objective set out in the covenant was not achieved. Continued training for relevant bodies should enhance the local safety measures (2002 Control TSE). The required legal CAP framework and structures have been established and are operational to apply EAGGF measures (2002 IACS). In the phytosanitary area, there are no tangible achievements yet since half of the projects have not been implemented yet and the TWL/ training benefits have not been sufficiently specified. The expected benefits of the **CAD&STA** Programmes are likely to materialise. INTRASTAT should start its full operations soon, whilst the REGSTAT operations are planned to commence later. For **ENE&TRA**, the expected benefits can be achieved in the near future, since the majority of proposed legal measures are currently under Parliamentary scrutiny. Final effectiveness is however difficult to predict as political pressure and economic lobbies may influence the final content of the Acts. Also the decision on future oil-stocks management, developed with ASMR, is still pending. Early establishment of the Radioactive Waste Agency as assumed in the planning documents, however, is considered unrealistic. The 2002 Decontamination project will achieve its purpose.

67. The 2001 **ENV** TWL have in the main produced positive effects and there are also good perspectives for the 2002 ENV programmes. The main exception is the 2002 UIBF SF Implementation project, where the intended output is still unclear at the time of this

IE. In general, prospects are good as well for the 2003 ENV interventions, however almost no effects have appeared, due to early implementation phase or lengthy contracting. The **FIN/BNK/CUS** Component has produced remarkable tangible effects, particularly resulting from the FM 2001 (PIFC, MIS, TWL Facility). Overall, predictions of effectiveness for the outstanding 2002/2003 interventions are good.

#### *Sustainability*

68. The majority of the benefits achieved in **AGR**, **CAD&STA** as well as in **ENE&TRA** are likely to be sustainable. Individual benefits are mostly connected with adopted legal provisions and/or established administrative structures. However, some concerns can be raised for the non-food part of 2001 Market Surveillance where one output (general web page for NGOs) in the absence of future funding has not been secured. The sustainability of benefits for some NGOs is questionable due to the fact that some do not have basic equipment to perform their role. For the time being it is also unclear whether the MoTPT will succeed in its efforts to establish the Regulatory Body (2001 Rail Sector). Even if the respective Act is approved, its enforcement may suffer from budgetary constraints.

69. Prospects for sustainability of the **ENV** Component are, in the main satisfactory, since the legal framework, hosting most of the programmes, has been already set out and thus, will ensure sustainability. The investment parts should be sustainable; however individual training elements have often not reached sustainable status. Sustainability of the **BNK** Component will require more legislative amendments, notably for financial supervision. Sustainability of the **FIN** support will to a certain extent require more stable staffing situations at the MoF bodies. IS development and supplies under the **CUS** sub-component should bring sustainable results.

#### *Impact*

70. Overall, it is likely that the final impact from the evaluated INT monitoring sector will be gradually transformed into economic and social performance of the country. All of the 2001/ 2002 programmes implemented for **AGR**, **CAD&STA**, and **ENE&TRA** are expected to contribute, to a varying extent, to the achievement of their overall objectives. The same positive conclusion can be made for the upcoming 2003 projects. Regarding **ENV**, impact forecasts are quite optimistic for the 2001/2002 FMs since they should contribute to the enforcement of the EC environmental directives, such as the WFD, and the implementation of local strategies, such as the Waste Management Programme. Although it is too early to make assumptions about the impact of the 2003 programmes, some, like the GMO intervention show significant promise. **FIN/BNK/CUS** performs well when anticipating its likely future impact. In particular, its 2003 UIBF projects should contribute to a broader impact expected from successful implementation of the overall PFMR in Slovakia.

## RECOMMENDATIONS TABLE

Conclusion	Recommendation	Output	Reference/ Paragraph	Responsibility	Deadline
Regarding 2001 Market Surveillance, separated projects managed by different Ministries did not meet the original aim of <i>setting-up a global, co-ordinated and efficient market surveillance system</i> . Despite an existing co-operation agreement between control bodies, no formal overall structure exists.	Based on the co-operation agreement signed by MoA, MoE and MoH, the institutions concerned should agree on the establishment of a formal overall body that would provide global co-ordination of market surveillance in Slovakia and could serve as a contact point for the relevant European Commission Services.	Overall co-ordination body in market surveillance	13, 15, 18, 62, 66	MoA/MoE/ MoH	With immediate effect
The identified difficulties with the preparation of planning documents and project implementation, mainly in the area of phytosanitary, veterinary and food safety, are attributed to insufficient experience and poor resources devoted for PHARE at the CCTIA and SVFA bodies.	Both CCTIA and SVFA should assign a person responsible for the overall management of all running PHARE activities and should allocate sufficient time resources. The MoA/PIU should initiate common preparation of documents and close guidance on implementation matters with relevant experts from beneficiary institutions.	Improved quality of planning documents	16, 64	CCTIA/SVFA/ MoA	With immediate effect
The co-ordination of AGR projects involving more beneficiary institutions has often been poor and potentially leads sometimes to duplication of activities.	In case of common projects, CCTIA and SVFA should agree on a clear division of tasks, ensuring smooth project implementation. Both institutions should consider a revision of their training activities and should prepare training plans to make sure that priority areas are covered and no duplication occurs. Such plans could also help to justify any future request for further support (e.g. Transition Facility).	Co-ordination of common projects, training plan	13, 16, 62	CCTIA/SVFA/ MoA	With immediate effect
The 2003 Animal Protection TWL is facing difficulties – due to questionable contractor performance - unless the planned activities can be managed within the remaining very tight time schedule. The same contractor has been selected for the 2003 Food Chain TWL, which is about to be approved.	For the 2003 Food Chain TWL, contract signature should be postponed until it is definitely confirmed - via successful completion of the Animal Protection project - that the selected contractor is able to deliver the requested services within the agreed period.	Implemented TWL	17, 19, 64	CFCU	With immediate effect
For some TWL operations, their total costs	To ensure efficient use of funds for the numerous upcoming	Cost-	16, 19, 64	CFCU	With

do not seem to be sufficiently justified, compared with the activities reported.	TWL projects, the CFCU should consider to carry out a cost-effectiveness analysis of the already completed 2001 TWL projects (mostly training activities) and should compare these also with training activities delivered through other instruments, notably TA.	effectiveness analysis of TWL			immediate effect
To ensure the best provision of data in relation to REGSTAT comprehensive feedback from the future users is indispensable. Provision of such feedback is missing from one of the potentially most important client and user of regional statistical data - the MoCRD.	The ACU, through the regular meetings of the Deputy Prime Minister or via the Governmental Council for Regional Development, should raise the question of appropriate statistical indicators in relation to the upcoming planning of Structural Funds assistance 2007/2013. The MoCRD and other relevant bodies should clearly identify their requirements for REGSTAT and provide the Statistical Office with their specifications.	List of requested Indicators	23, 64	ACU/MoCRD	With immediate effect
The 2003 Programme on National Agency for Radioactive Waste, comprising feasibility study, training and equipment supply is not considered manageable within the given timeframe.	Based on the progress made with the TA project for the feasibility study, the NRA should pro-actively consider appropriate changes in the programme design and should propose corrective budgetary measures (re-allocation, PF change), in order to avoid any likely loss of funds.	Final decision on projects	27, 28, 62, 66	NRA	mid 2005 latest
For achieving the expected benefits from the 2002 Evaluation Strategy project, a consensus between the key stakeholders is needed, in order to agree on a final version that is acceptable and workable.	The OoG together with the MoF should request an official statement from the MoCRD on the proposed Strategy and should submit the final Strategy for official approval to the Government. In the event of absence of any firm commitment received from the MoCRD, the OoG and MoF should identify ways to make maximum use of the proposed approach.	Evaluation Strategy approved by the Government	46, 54, 65	OoG/ MoF/ MoCRD	With immediate effect

### 3.2 PERFORMANCE RATING

Component/ Project	Relevance	Efficiency	Effectiveness	Sustainability	Impact	Verbal overall rating
<b><i>Agriculture</i></b>						
SR-0104.01 Ministry of Agriculture	2	1	1	1	1	S
SR-0104.01 Ministry of Economy	0	-1	0	-1	1	U
SR-0110.01.01.0007	2	1	1	1	1	S
SR-0110.01.01.0005	2	1	1	1	1	S
SR-0110.01.01.0008	2	1	1	1	1	S
2002/000-610.05	2	1	1	1	1	S
2002/000-610.06	2	1	2	1	1	HS
2002/000-610.07	1	-1	-1	0	0	U
2002/000-610.08	1	-1	-1	1	0	U
2003-004-995-03-02	1	0	1	1	1	S
2003-004-995-03-03	2	0	1	1	1	S
2003-004-995-03-04	1	0	0	1	1	S
2003-004-995-01-04 Swine Fever	1	1	1	1	1	S
2003-004-995-01-04 Audit for APA	1	1	1	1	1	S
<b><i>Cadastre and Statistic</i></b>						
<b><i>Cadastre</i></b>						
2003-004-995-02-01	1	1	1	1	1	S
<b><i>Statistics</i></b>						
2002/000-610.09	2	1	1	1	1	S
2002/000-610.10	2	1	1	1	1	S
2003-004-995-03-05	2	1	0	0	0	S
<b><i>Energy and Transport</i></b>						
<b><i>Energy</i></b>						
SR-0105	1	1	1	1	1	S
2002/000-632.09	1	1	2	2	2	HS
2003/5812.07.01	1	1	0	1	1	S
<b><i>Transport</i></b>						
SR-0106	1	1	1	1	1	S
2003 -995-01-04 Road Transport	1	1	1	1	1	S
<b><i>Environment</i></b>						
SR-0110.01.01.09	1	1	1	1	1	S
SR-0110.01.01.10	1	1	1	1	1	S
SR-0110.01.01.11	1	1	1	1	1	S
SR-0110.01.01.14	1	-1	0	1	0	S
2002/000-610.16	1	1	1	1	1	S
2002/000-610.17	1	0	1	1	1	S
2002/000-610.18	1	1	1	1	1	S
2002/000-610.02 Noise	1	1	1	1	1	S
2002/000.610-02 SF Utilisation	1	1	1	0	1	S

2002/000.610-02 SF Implementation	0	-1	0	0	0	U
2003-004-995-03-16	1	1	0	0	0	S
2003-004-995-03-17	1	0	0	0	0	S
2003-004-995-03-18	0	-1	0	0	0	U
2003-004-995-01-04 Capacity Building Investment Projects	1	0	0	0	0	S
2003-004-995-01-04 PCB	1	0	0	0	0	S
<b>Finance, Banking and Customs</b>						
<i>Finance</i>						
SR-0109	1	1	1	1	0	S
SR-0110.01.01.01	0	1	1	-1	1	U
SR-0110.01.01.02	2	1	2	1	1	HS
SR-0110.01.01.03	2	1	2	1	1	HS
SR-0110.01.01.04	1	1	1	1	1	S
SR-0110.01.01.06	1	1	1	1	1	S
2002/000-610.02 Evaluation Strategy	1	0	1	0	0	S
2003-004-995-01-04 IS Review	1	0	0	1	0	S
2003-004-995-01-04 IS Strategy	1	0	0	1	0	S
2003-004-995-01-04 Financial Interests	1	0	0	0	0	S
2003-004-995-01-04 Budget Evaluation	1	0	0	0	0	S
2003-004-995-01-04 Financial Controllers	1	0	0	0	0	S
2003-995-01-04 Risk Management	1	1	0	1	1	S
<i>Banking</i>						
SR-0110.01.01.13	1	1	1	1	1	S
2002/000-610.04	1	1	0	1	0	S
2003-004-995-03-01	1	0	0	1	0	S
<i>Customs</i>						
SR-0104.02	1	1	1	1	1	S
2002/000-610.20	1	0	0	0	0	S
2003-004-995-03-25	1	1	0	1	0	S
2003-004-995-03-26	0	0	0	0	0	S
2003-004-995-01-04 Naples II	1	0	0	0	0	S
<b>Taking into account the contextual constraints on the evaluation, the sector overall is rated to be 'SATISFACTORY'</b>						
<b>Internal Market Monitoring Sector</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>S</b>

Ratings guide: -2 unacceptable; -1 poor; 0 sufficient/adequate; +1 good; +2 excellent.  
HS-Highly Satisfactory, S- Satisfactory, U-Unsatisfactory, HU-Highly Unsatisfactory.

## **ANNEXES**



## ANNEX 1

### Indicators of Achievement

Immediate Objectives (Project Purpose)	Indicators of Achievement (Objectively Verifiable Indicators)	Remarks
<b>Component 1 – Agriculture</b>		
<b>SR-0104 Support of Market Surveillance System in Consumer and Health Protection</b>		
Setting up a global co-ordinated and efficient market surveillance system in the SR	Improvement in the enforcement of consumer protection law	Not measurable, requires at least some quality descriptor
	Set up of market surveillance structures in line with the <i>acquis</i>	Although rather general it can be used as indicators. The RASFF was established in line with EU requirements. The originally used system of all food products' certification also provided protection measures, however did not comply with free movement of goods.
	Protection of consumers from exposure to health risk food products	
	Food safety strategy of the SR in place	The strategy is available and is being implemented; however there is no direct relation between project activities and the strategy.
<b>2002/000-610.05 Control TSE-Food Safety</b>		
To facilitate the introduction of TSE screening in SR as prescribed in the Regulation 999/2001/EC.	Re-evaluation of the position of the SR within the GBR assessment	Not valid or applicable as indicator
<b>2002/000-610.06 Development of IACS</b>		
Strengthening of the Slovak institutional structures necessary for the implementation of IACS in line with requirements of EU CAP	Administrative structures necessary for the implementation of IACS created according to EU requirements – regulations 3508/92 and 3887/92	The required administrative structures were set up and started operations.
<b>2002/000-610.07 Enhancement of Phytosanitary Controls of Plants and Plant Producers</b>		
Strengthening of the phytosanitary control on the future EU external points in the SR	Diagnostic control systems fully operational in line with EU regulations	This could be conformed via accreditation; however 2 of 3 BIP have already been accredited, the direct contribution of the programme is difficult to trace

	Number of outbreaks of plant reduced	No baseline or benchmark data available
	SR provides specialised data to EU structures	Too general, requires further specification
<b>2002/000-610.08 Registration of Producers, Importers and Exporters of Plants and Plant Products</b>		
Establishment of a registration system of producers, importers and exporters of plants and plant products in SR	The system of registration of producers, importers and exporters of plants and plant products in the SR is fully operational in line with EU legislation	Valid but for the time being the system has not been developed yet – project is still on-going
	The number of registered producers, importers and exporters increased	Not valid as an indicator, we assume that introduction of a new system will not be a reason to increase the number of registered entities
	SR provides specialised data to the EU structures	So far no data are provided on a regular basis
<b>2003-004-995-03-02 Support to Agriculture Food Chain in Comprehensive Food Safety Policy</b>		
Complete the veterinary and phytosanitary services infrastructure, required for the food safety <i>acquis</i>	Harmonised Slovak legislation published in the official collection of laws	Not related to the project purpose
Monitor foreign bodies in agricultural products and protect the consumers	Proper market food safety control results achieved and confirmed by standard regular surveillance results	Rather general, not applicable as indicator
Broaden the activities of both the Slovak Agricultural and Food Inspection Authorities and those of the Central Control and Testing Institute of Agriculture to improve their quality with regard to the task they will fulfil on accession to the EU	Target institutions accredited and working as prescribed by the food safety <i>acquis</i>	Can be possibly used as an indicator, provided that the accreditation is the result of project activities and ‘target institutions’ are specified
<b>2003-004-995-03-03 Veterinary and Phytosanitary Border Inspection Posts – II. Phase (Bratislava Airport BIP)</b>		
Veterinary and phytosanitary inspection post at Bratislava Airport ready for execution of phytosanitary and veterinary controls	Accreditation of BIP achieved by the date of accession of the SR to the EU	BIP at the airport is not accredited yet also due to the fact that the required equipment has not been delivered
Veterinary and phytosanitary inspectors ready for execution of veterinary and phytosanitary controls	BIP Bratislava Airport conducts control in line with the EU standards and best practice	This can be expected when the project is completed and should be confirmed via the accreditation
<b>2003-004-995-03-04 Animal Protection during Transport</b>		
Strengthening of the veterinary control of animal welfare during transport	Harmonised Slovak legislation published	This does not relate to the project purpose
Establishment of data transmission system between veterinary inspectors executing the animal transport checks and central register of transporters	Results of control of the state veterinary activities on the regional and district veterinary and food administrations	The indicator is too general and not measurable
Upgrading of the system of submitted route plan checks		
<b>Component 2 – Cadastre and Statistics</b>		
<b>2003-004-995-02-01 Land Administration and Cadastre Infrastructure</b>		

Improving land administration based on spatial and cadastral data, including permanent Global Positioning System (GPS), in line with the concepts and directions proposed by the European Commission	The permanent GPS stations cover at least 80 percent of Slovakia's territory	Quantified but referring to the technical facilities themselves rather than purpose/ use they will serve
Public access to the land administration data and cadastre data	1.000 access to the data base per day and 100 directly connected users within 1 year after completion	Valid as indicator, can be measured once the access is available
<b>2002/000-610.09 Implementation of INTRASTAT-SK</b>		
Implementation of the INTRASTAT-SK system	INTRASTAT-SK system set up	INTRASTAT-SK was set out and is operational
<b>2002/000-610.10 Strengthening of Regional Statistics - REGSTAT</b>		
Develop a fully operational regional statistical system with improved quality of regional data, supported with methodological and software tools, ensuring regional data collection from different sources, updating the regional data base, data presentation and analysis of regional development	Number of statistical indicators on regions increased by 50 percent by second semester 2003	Valid and measurable but as proposed deadline should be extended to 2005 if not later
	Statistical data on regions are fully in compliance with the EU standards and compatible with EUROSTAT REGIO	Valid – includes not only methodology but also reporting formats
	Methods for measuring of regional development are adopted by second semester 2003 by all sectors co-operating in the project	Valid but can not be fully ensured through the project activities
	Minimum of 40 persons trained in use of REGSTAT at regional level, minimum 20 trained at central level	Output indicator
<b>2003-004-995-03-05 Enforcement of New <i>Acquis</i> in the Field of Statistics</b>		
Improving social statistics by including harmonised data on income, health, education, housing, demographics and employment characteristics	New statistical instruments and new information systems for monitoring the economic and social development in place	Valid but not fully specified in terms of number of instruments
Improvement of data processing system for annual and quarterly financial accounts and financial balance sheets compilation through introduction of production system	Required statistical survey carried out	Valid
Developing new information system for iron and steel statistics according to the respective EC regulations for reference years 2003-2009	Required statistical data available	Valid
<b>Component 3 – Energy and Transport</b>		
<b>SR-0105 Support to the Energy Policy in the Slovak Republic</b>		
Support to the authorities in energy sector in charge of oil stocks, regulation and energy efficiency	The law on regulation in the network industries	The indicators expressed as adopted legislation, are logically incorrect, a project cannot influence adoption of legislation; the other part of indicators is expressed through the description of activities, outputs and
	Proactive measures to achieve energy savings, particularly through an appropriate tariffication	
	Act on stocks of crude oil and petroleum products and	

	oil emergency, development of procedures for efficient enforcement of the law on oil stocks and oil emergency, advanced expertise on evaluation and comparison of the compatibility with the monthly EU statistics on oil and gas and development of software tools for processing statistical data	results
	Technical and ecological analysis and evaluation of existing storage capacities in SR in accordance with EU standards	
	Preparation of detailed financial analysis for achieving the required 90 days level of reserves, including analysis of existing storage capacities, necessary investments in reconstruction and new building	
	Enhancing the administrative capacity of ASMR in particular through the provision of adequate training on best practice	
<b>2002-000-632.09 Decontamination of the Bohunice NPAA-1 Primary Circuit</b>		
To develop a decontamination concept for primary circuit	Final report of the project	Provided that the decontamination concept is meant it can be considered as valid
<b>2003/5812.07.01 Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste</b>		
To improve radioactive waste management in SR through the setting-up of a national agency with a legal status, scope and financial resources that are comparable to similar agencies existing in the EU	The same IA are stated as for the results	Not valid
<b>SR-0106 Rail Sector Harmonisation</b>		
The railway sector operational according to the EU standards (Directives 91/440/EC, 95/18/EC and 95/19/EC, consequently being replaced by the new directives currently under preparation and the NEW Directive on conventional interoperability) and support to the establishment of Independent Rail Regulatory Body	90 percent of concerned EU railway legislation transposed by the end of 2003	Despite difficulties to estimate 90 percent of transposed legislation, there is an effort to quantify the achievement of results; the indicators is considered valid
<b>Component 4 – Environment</b>		
<b>2002/000-610.16 Discharge of Dangerous Substances</b>		
Implementation and enforcement requirements of the Directive 76/464/EEC on pollution caused by the	Authorisation regime in compliance with the Directive by 31/12/04	Valid and applicable as an indicator

dangerous substances discharged into aquatic environment	Compliance with set standards and coherence with EC water quality requirements	Deadline missing for the indicator to be applicable
	Monitoring system comprising all dangerous substances in the aquatic environment and control of discharges	Deadline missing for the indicator to be applicable
	Emission reduction programmes for List I and List II dangerous substances	Deadline missing for the indicator to be applicable
<b>2002/000-610.17 Integrated Prevention and Pollution Control</b>		
Implementation and enforcement of the Directive 96/61/EC on Integrated Prevention and Pollution Control	Establishment of the national system for prevention and pollution control with databases and published information on the web by 30/06/05	Valid; project on-going
	Slovak legislation aligned with IPPC Directive	Deadline missing for the indicator to be applicable
	Plans and Programmes available at MoEnv	Not valid as an indicator
<b>2002/000-610.18 Conservation of Natural Habitats</b>		
Development of the Natura 2000 Network due to the Council Directive 92/43/EEC (Habitat) and Council Directive 79/409/EEC (Birds)	Binding regulations under new Act on Nature and Landscape Protection adopted	Adoption of legislation exceeds the scope of the project
	Management plans for Natura 2000 sites approved and submitted to the EC by 31/12/05	Valid; project on-going
	Monitoring system comprising the conservation status of natural habitats and species providing exact data in compliance with the Annexes of the EEC Directives by 31/12/05	Valid; project on-going
<b>2003-004-995-03-16 Institutional and Capacity Building in the Environmental Sector</b>		
Enforcement of the environmental <i>acquis</i> , notably as regards Council directive on standardisation and rationalisation of reports, Council Regulation on the establishment of the EEA and the EIONET, air, water, waste and nature protection Directives	Establishment of IS for connection and co-operation in the ENV sector in the SEA, SEI, MoEnv, SHMI, SNC, including shared databases in 18 <sup>th</sup> month	Valid
	Improved standardisation and reporting in 22 <sup>nd</sup> month	
	Plans and programmes available at MoEnv – national and regional documents in 22 <sup>nd</sup> month	
<b>2003-004-995-03.17 Biosafety Monitoring System</b>		
Network of current scientific institutions reorganised into a competent national system for the detection and quantification of GMO in the SR	Competent national and international authorities have approved institutional structure of scientific institutions charged with detection and quantification of GMO by 30/06/04	Valid; project on-going; deadline would need to be revised
Slovak national GMO detection system functions as required by relevant legislation, using quantitative and qualitative methods for GMO monitoring	Rates of detection and quantification of GMO and other performance indicators equal or better than in comparable member states	Baseline and timing missing for the indicator to be applicable

<b>2003-004-995-03-18 Implementation of Council Directives on Electric and Electronic Scrap</b>		
Improvement of environmental conditions via reduction of hazardous waste of electric and electronic equipment	Draft Act on WEEE prepared by 1 <sup>st</sup> quarter 2005	Valid; final project design however still unclear
	Draft WPM prepared by 4 <sup>th</sup> quarter 2004	Valid; final project design however still unclear
	Key players informed by 1 <sup>st</sup> quarter 2005	Not valid as indicator
<b>Component 5 – Finance, Banking and Customs</b>		
<b>SR-0104.02 Development of a National Management Information System for Customs</b>		
Enable the exchange of processing data between the SCA and the EU systems	Establishment of the interfaces to international customs information systems by May 2004	Valid; mostly done
<b>SR-0109 Public Internal Financial Control</b>		
Implementation of an adequate internal financial control in the SR, which will meet all requirements laid down by the EC Directives	Compatibility tables in the relevant Slovak control legislation by 30 April 2004	Invalid; not directly related to the project
	Sufficient budget for the financial control system in the Slovak budget by 31 March 2004	
<b>2002/000-610.04 Strengthening Financial Sector Supervision</b>		
Adopt relevant <i>acquis</i> on financial services supervision	Acts and decrees in force as required in the NRTA by 30 September 2005	Partly valid; project on-going; adoption of legislation exceeds the scope of the project
Enhance supervision of financial sector	Increased ratio of detected irregularities by 30 November 2005	Invalid; hardly attributable to the project results only
	Decreased number of collapsed financial market institutions by 30 November 2005	Invalid; hardly attributable to the project results only
Implement FMA and NBS co-ordination measures	Statutory documents on integrated supervision adopted and operational by 30 November 2005	Partly valid; project on-going; adoption of legislation exceeds the scope of the project
<b>2002/000-610.20 Information System for Slovak Customs Administration</b>		
Promotion of law enforcement by functional IS for special customs administrative units	Decrease of the tax and customs evasion in the responsibility of the SCA	Invalid; hardly attributable to the project results only
	Increase of number of custom officers who will have better access to intelligence operative information	Valid; however deadlines, baselines and benchmarks are missing
	Increase of number of customs officers who will have better access to operative information related to evaluation of selection criteria	
<b>2003-004-995-03-01 Risk-based Supervision</b>		
Systems of risk-based supervision over capital market, insurance companies, pension funds established and	Relevant laws and decrees on securities, investment services and insurance industry amended by end 2005	Partly valid; adoption of legislation exceeds the scope of the project

operational		
Risk-based supervision of credit institutions enhanced in accordance with the implementation of the New Capital Accord Basel II	Principles of Basel II transposed into relevant Slovak legislation by 2006	Partly valid; adoption of legislation exceeds the scope of the project
	0 percent of collapsed financial institutions	Invalid; hardly attributable to the project results only
<b>2003-004-995-03-25 Equipment Supply for the Slovak Customs Laboratories</b>		
Determination of origin authenticity of goods	Detection of origin of supplies with starting capacity 1,500 samples/ year with subsequent optimisation to 2,800 samples/year	Valid; after setting a deadline also applicable
Efficient detection of tax evasions and subsidise frauds	Reduction of tax and customs evasions and subsidise frauds	Valid, however any baseline, benchmark, deadline missing
<b>2003-004-995-03-26 X-ray Inspection Systems</b>		
Border posts on the Ukrainian border are fully functioning, comparable to the external EU border stations	Controlling time in case of passenger traffic does not exceed 30 minutes, average truck waiting time does not exceed 3 hours	Valid; deadline missing
Containment and eradication of illegal trade and migration	X-ray detection rate comparable or exceeding the rates achieving in the EU	Valid, however any baseline, benchmark, deadline missing

## ANNEX 2

### List of Interviews

INSTITUTION	INTERVIEWEE	DATE
Ministry of Finance SR National Fund Stefanovicova 5 SK-817 82 Bratislava	<b>Mr Martin Grimwood</b> Advisor	25.08.2004
Ministry of Finance SR National Fund Stefanovicova 5 SK-817 82 Bratislava	<b>Mr. Carlo Hennin</b> Advisor	25.08.2004
Ministry of Finance SR Department of European Integration and European Funds Stefanovicova 5 SK-817 02 Bratislava	<b>Mr. Matej Dostal</b> SAC	25.08.2004
Ministry of Finance SR International Department Stefanovicova 5 SK-817 82 Bratislava	<b>Ms. Andrea Holikova</b> Advisor	25.08.2004
Ministry of Finance SR Central Harmonisation Unit Stefanovicova 5 SK-817 82 Bratislava	<b>Ms. Dana Dyckova</b> Director	25.08.2004
Ministry of Finance SR Department of European Integration and European Funds Stefanovicova 5 SK-817 02 Bratislava	<b>Ms. Diana Mistríkova</b>	25.08.2004
Research Institute of Geodesy and Cartography Chlumeckeho 4 SK-826 62 Bratislava	<b>Mr. Juraj Valis</b> SAC	26.08.2004
Geodesy, Cartography and Cadastre Authority Department of the International Relations and European Integration Stomata 1 SK-837 86 Bratislava	<b>Ms. Michaela Spetkova</b>	26.08.2004
Geodesy, Cartography and Cadastre Authority Department of the International Relations and European Integration Stromova 1 SK-837 86 Bratislava	<b>Ms. Nadezda Niksova</b> Director	26.08.2004
National Bank of Slovakia Integration and Foreign Technical Assistance Section Imricha Karvasa 1 SK-813 25 Bratislava	<b>Ms. Tatiana Mikulenková</b> Director	30.08.2004



National Bank of Slovakia Imricha Karvasa 1 SK-813 25 Bratislava	<b>Mr. Eric Molson</b> Team Leader	30.08.2004
National Bank of Slovakia Banking Supervision Imricha Karvasa 1 SK-813 25 Bratislava	<b>Mr. Roman Turok-Hetes</b>	30.08.2004
Financial Market Authority IT Section Vazovova 2 SK-813 18 Bratislava	<b>Mr. Stanislav Skurla</b> Expert	30.08.2004
Financial Market Authority Supervision Department Vazovova 2 SK-813 18 Bratislava	<b>Ms. Monika Imreczeova</b> Capital Market Section	30.08.2004
National Bank of Slovakia Integration and Foreign Technical Assistance Section Imricha Karvasa 1 SK-813 25 Bratislava	<b>Ms. Sona Kohutova</b>	30.08.2004
Customs Directorate of the SR Mierova 23 SK-815 11 Bratislava	<b>Mr. Juraj Karkus</b> Deputy Director	31.08.2004
Public Health Institute National Reference Centre for Noise and Vibration Ruzinovska 8 SK-820 09 Bratislava	<b>Mr. Peter Zatkovic</b>	31.08.2004*
Ministry of Finance Štefanovičova 5 SK-817 82 Bratislava	<b>Ms. Marcela Havranova</b>	31.08.2004*
Department of State Railways Ministry of Transport, Posts and Telecommunication Namestie slobody 6 SK-810 05 Bratislava	<b>Ms. Maria Hrcckova</b> Head of Department	02.09.2004
Representation of the European Commission Palisady 29 SK-811 06 Bratislava	<b>Mr. Dusan Dobrovodsky</b> Task Manager	03.09.2004
Office of the Government of the SR Aid Co-ordination Unit Namestie slobody 1 SK-813 70 Bratislava	<b>Ms. Kornelia Cajkova</b> Programme Manager	03.09.2004
Slovak Environmental Agency Environmental Projects Programming Centre Hanulova 5/d SK- 844 40 Bratislava	<b>Mr. Juraj Gavora</b> Director	03.09.2004
Representation of the European Commission Palisady 29 SK-811 026 Bratislava	<b>Mr. Peter Muska</b> Task Manager	03.09.2004 23.09.2004*
Slovak Environmental Agency Environmental Projects Programming Centre Hanulova 5/d SK- 844 40 Bratislava	<b>Ms Miroslava Tuzinska</b> Programme Manager	03.09.2004 16.09.2004

Representation of the European Commission Palisady 29 SK-811 026 Bratislava	<b>Ms. Dana Simova</b> Task Manager	03.09.2004
European Integration Department Ministry of Transport, Posts and Telecommunication Namestie slobody 6 SK-810 05 Bratislava	<b>Mr. Milos Prochazka</b>	03.09.2004*
Tax Directorate of the SR Nova 13 SK-975 04 Banska Bystrica	<b>Ms. Takacova</b>	03.09.2004*
Ministry of Agriculture SR PIU Dobrovicova 12 SK-812 66 Bratislava	<b>Mr. Andrej Radecky</b> PHARE Project Manager	06.09.2004
Ministry of Agriculture SR PIU Dobrovicova 12 SK-812 66 Bratislava	<b>Mr. Jan Halusic</b> PHARE Project Manager	06.09.2004
Ministry of Agriculture SR PIU Dobrovicova 12 SK812 66 Bratislava	<b>Ms. Albina Zlochova</b> PHARE Project Manager	06.09.2004
Ministry of Environment SR Biosafety Department Nam.L. Stura 1 SK-812 35 Bratislava	<b>Mr. Igor Ferencik</b>	07.09.2004
State Veterinary and Food Administration Welfare Department Botanicka 17 SK-842 13 Bratislava	<b>Mr. Roman Matejcek</b>	07.09.2004
Ministry of Environment SR Nam.L. Stura 1 SK-812 35 Bratislava	<b>Mr. Andreas Heissenberger</b>	07.09.2004
Ministry of Economy SR Department of Project Co-ordination Mierova 19 SK-827 15 Bratislava	<b>Mr. Miroslav Marias</b> State Advisor	07.09.2004
State Veterinary and Food Administration Department of Legislation, European Integration and Foreign Relations Botanicka 17 SK-842 13 Bratislava	<b>Ms. Elena Klimkova</b>	07.09.2004
Ministry of Environment SR Waste Management Department Nam.L. Stura 1 SK-812 35 Bratislava	<b>Ms. Marta Fratricova</b>	07.09.2004
Ministry of Agriculture SR Agriculture Paying Agency Section of Direct Support Dobrovicova 12 SK-812 66 Bratislava	<b>Mr. Tibor Gunis</b> Director	08.09.2004
Centre for Chemical Substances and Preparations Limbova 14 SK-833 01 Bratislava	<b>Mr. Viktor Prachar</b>	08.09.2004*

Administration of State Material Reserves Department of Legislation and International Relations Prazska 29 SK-812 63 Bratislava	<b>Ms. Lucia Mikusova</b>	08.09.2004*
Ministry of Finance SR Stefanovicova 5 SK-817 82 Bratislava	<b>Mr Albin Kotian</b> Adviser to State Secretary	09.09.2004
Representation of the European Commission PHARE Transition Team Palisady 29 SK-811 06 Bratislava	<b>Mr. Daniel Acs</b> Task Manager	09.09.2004
Ministry of Finance SR Central Finance and Contracting Unit Stefanovicova 5 SK-817 02 Bratislava	<b>Ms. Zora Paulikova</b> Financial Officer	09.09.2004
Ministry of Finance SR Sections of Taxes and Customs Duties Indirect Taxes Department, Division of VAT Stefanovicova 5 SK-817 82 Bratislava	<b>Ms. Ester Hladka</b>	09.09.2004*
Ministry of Agriculture SR Agriculture Paying Agency Section of Market Organisation Dobrovicova 12 SK-812 66 Bratislava	<b>Ms. Henrieta Kozarova</b>	09.09.2004*
Ministry of Agriculture SR Dobrovicova 12 SK-812 66 Bratislava	<b>Ms. Jarmila Dubravska</b>	09.09.2004*
Slovak Hydro-Metrological Institute Jeseniova 17 SK-83315 Bratislava	<b>Mr Karl-Otto Nagel</b> Resident Twinning Adviser	10.09.2004
Slovak Hydro-Metrological Institute Jeseniova 17 SK-83315 Bratislava	<b>Mr. Peter Roncak</b> Director	10.09.2004
Central Control and Testing Institute for Agriculture Hanulova 9/a 844 29 Bratislava	<b>Mr. Peter Sivicek</b>	10.09.2004
Ministry of Finance SR Stefanovicova 5 SK-817 02 Bratislava	<b>Mr. Pavol Ochotnický</b> Adviser	10.09.2004
Slovak Hydro-Metrological Institute Jeseniova 17 SK-83315 Bratislava	<b>Ms Juliana Adamkova</b> SPO	10.09.2004
Slovak Hydro-Metrological Institute Jeseniova 17 SK-83315 Bratislava	<b>Ms Marcela Dobiasova</b> SPO	10.09.2004
AllDeco s.r.o Decontamination, surface finishing, waste treatment SK-919 31 Jaslovske Bohunice	<b>Mr. Dusan Majersky</b>	13.09.2004
Nuclear Regulatory Authority Department of International Relations Bajkalska 27 SK-820 07 Bratislava	<b>Mr. Mikulas Turner</b> Director	13.09.2004

Regulatory Office for Network Industries Bajkalska 27 SK-820 07 Bratislava	<b>Mr. Miroslav Luptak</b> Speaker	13.09.2004
Slovak Electricity Company SE-VYZ SK-919 31 Jaslovske Bohunice	<b>Mr. Pavol Stuller</b> Project Manager	13.09.2004
Slovak Environmental Agency Tajovskeho 28 SK-97400 Banska Bystrica	<b>Mr. Vassilis Inglezakis</b>	13.09.2004
Implementing Agency for Environmental Investment Projects Jeseniova 17 SK-83315 Bratislava	<b>Ms Erna Dohnalikova</b> Director	13.09.2004
AllDeco s.r.o Decontamination, surface finishing, waste treatment SK-919 31 Jaslovske Bohunice	<b>Ms. Jana Burclova</b>	13.09.2004
Nuclear Regulatory Agency Department of International Relations Bajkalska 27 SK-820 07 Bratislava	<b>Ms. Jarmila Racova</b>	13.09.2004
State Nature Conservancy Lazovna 10 SK-974 00 Banska Bystrica	<b>Mr. Heinz Josef Marschalek</b>	14.09.2004
State Nature Conservancy Lazovna 10 SK-974 00 Banska Bystrica	<b>Ms Eva Medvedova</b> <b>SPO</b>	14.09.2004
Statistics Office of SR Mileticova 3 SK-824 67 Bratislava	<b>Ms. Alzbeta Ivanickova</b> Adviser	16.09.2004
Slovak Environmental Agency Environmental Projects Programming Centre Hanulova 5/d SK-844 40 Bratislava	<b>Ms. Breda Howrad</b> Project Manager	16.09.2004
Central Control and Testing Institute for Agriculture Department of Diagnostics Hanulova 9/a SK-844 29 Bratislava	<b>Ms. Tatiana Kormanova</b> Director	16.09.2004
Implementing Agency for Environmental Investment Projects Jeseniova 17 SK-83315 Bratislava	<b>Mr. Peter Dupej</b> SPO	16.09.2004*
Slovak Environmental Agency Tajovskeho 28 SK-97400 Banska Bystrica	<b>Ms. Ulrike Stark</b>	16.09.2004*
Representation of the European Commission Palisady 29 SK-811 06 Bratislava	<b>Mr. Enzo Marcon</b> Task Manager	16.09.2004**
Ministry of Agriculture SR Department of Food and Nutrition Dobrovicova 12 SK-812 66 Bratislava	<b>Ms. Andrea Jurcakova</b>	17.09.2004

Ministry of Agriculture SR Foreign Relations Department Dobrovicova 12 812 66 Bratislava	<b>Ms. Eva Kolesarova</b> Director	17.09.2004
Slovak Environmental Agency Tajovskeho 28 SK-97400 Banska Bystrica	<b>Mr. Vladimir Benko</b> SPO	17.09.2004**
Slovak Trade Inspection Prievozska 32 SK-827 99 Bratislava 27	<b>Mr. Ladislav Ceplik</b> Deputy General Director	20.09.2004
Statistical Office SR Department of External Trade Statistics Miletičova 3 SK-824 67 Bratislava 26	<b>Ms. Alzbeta Ridzonova</b>	22.09.2004
Central Controlling and Testing Institute in Agriculture Matuskova 21 SK-833 16 Bratislava	<b>Ms. Anna Vitariusova</b> Director	22.09.2004
Statistical Office SR Department of External Trade Statistics Miletičova 3 SK-824 67 Bratislava 26	<b>Ms. Jana Condikova</b> Head of Methodology and Analysis Unit	22.09.2004
AJS Management Slovakia Ltd. Cintorinska 3 SK-811 08 Bratislava	<b>Ms. Renata Prokova</b> Local consultant	23.09.2004*

### ANNEX 3

#### List of Documents referred to in the Interim Evaluation

Name of Originator	Date	Title of Document
All ToR and TS		
EMS Consortium	17 July 2003	R/SR/INT/03047
Government of the Slovak Republic/ European Commission	2001	Financing Memorandum 2001 and Project Fiches/ToR
Government of the Slovak Republic/ European Commission	2002	Financing Memorandum 2002 and Project Fiches/ToR
Government of the Slovak Republic/ European Commission	2003	Financing Memorandum 2003 and Project Fiches/ToR
Office of the Government/ACU	30 June 2004	M/SK/INT/04007
Office of the Government/ACU	10 May 2004	M/SK/AGR/03007
Ministry of Economy		Twinning Covenant SR-0105 Support of the Energy Policy in the Slovak Republic, Quarterly Reports 1 – 8, Final Report
Vehicle and Operator Services Agency UK	4 May 2004	Start-up Report TWL Road Transport (social legislation) Alignment
Ministry of Transport, Public Works and Water, NL	31 May 2002	Twinning Covenant – SR-0106 Rail Sector Harmonisation, Quarterly Reports 1 – 6
Agrarmarkt Austria	17 February 2004	Common Market Organisation with Sugar – Start up and Final Report
Centre for Chemical Compounds and Preparations	27 January 2004 September 2004	Strengthening the capacities for Management of Biocidal Products – Start up and Final Report
Research Institute for Animal Health, Italy	June 2004	Twinning covenant - Control TSE Food Safety, 1st Quarterly Report
Ministry of Agriculture, Nature and Food quality, NL		Support of Food Market Surveillance - Twinning Covenant, Final Report, Quarterly Report 1 - 4
		IACS – Twinning Covenant, Quarterly Report 1 - 3
Hessian Ministry of Environment and Consumer Protection	19 November 2003	Enhancement of Phytosanitary Control of Plants and Plant Products
Ministry of Agriculture	July 2004	Informácia o realizácii programu PHARE v rezorte pôdohospodárstva za 1. polrok 2004
Ministry of Agriculture, Nature and Food Quality, NL	30 April 2004	Marking and Identification of Sheep, Goats and Pigs - Inception Report, Final Report
European Profiles s.a.	December 2003	Support to Market Surveillance System in Consumer and Health Protection – Inception Report
Alldeco s.r.o.	1 June 2004	Quality Assurance Plan
Alldeco s.r.o.		Decontamination of Primary Circuit - Monthly Reports, Inception Report
Registers of Scotland	31 March 2004	GCCA Management Training and Staff Development
Registers of Scotland		Human Resources Development Plan
Agency for European Integration	October 2003 February 2004	Design of budgetary system for contributions to/from the EU Budget after accession – Inception & Final Report
	June/September 2003	Harmonisation of VAT– Inception & Final Report
		Performance Management in the Slovak Tax Administration– Inception & Final Report
	September 2003	Establishment of the Tax Investigation Office– Inception & Final Report

ECO	June 2004	Development of a national strategy for the evaluation of the EU-funded projects – Inception Report
		REGSTAT, Benchmark Reports 1 - 8
Statistics Finland	August 2003	Strengthening of Regional Statistics – Twinning Covenant, Quarterly Report 1 - 4
Scanagri	April 2004	Nation-wide Training on IACS Administration and Controlling – Inception Report
Agrarmarkt		TA in Area of PA Procedures Interlinked with IACS
	31 March 2004	Development of Structures for Implementation of IACS – Twinning Covenant, 3 <sup>rd</sup> Quarterly Report
Agrifor Consult	July 2004	The assessment and Management of Environmental Noise
Office of the Government	2001	National Programme for Adoption of the <i>Acquis</i>
Office of the Government	June 2004	Monitoring Report M/SR/INT/04007
Central Finance and Contracting Unit	September 2004	Financial and Contractual data for INT Sector
Government of the Slovak Republic/ European Commission	January 2002	Financing Memorandum and Project Fiches 0104.02 , 0109 and TWL 2001
Government of the Slovak Republic/ European Commission	January 2003	Financing Memorandum and Project Fiches 2002/000-610.04-08 &09-10, 16-18 & 20, ToR UIBF 2002and 2003
Government of the Slovak Republic/ European Commission	November 2003	Financing Memorandum and Project Fiches 2003-004-995-03-01, -25, -26; UIBF 2003
Government of the Slovak Republic/ European Commission	2001	Financing Memorandum and Project Fiches SR-0109, SR-0104.02
Office of the Government/MoF	January 2004	SR 0110/TLP 01-02 ToR, Final Report
Office of the Government/MoF	March-April 2004	UIBF 2003 ToR, Inception Reports
French Ministry of Economy	November 2003- July 2004	SR 0109 , twinning project SK 01/FI/02, Quarterly Reports 4-7, Final Report
EMS Consortium	July 2003	IE R/SK/JHA/03.047
Office of the Government	May 2004	SR 0104.02, ToR Inception Report, Stage 1A-1B Report, Master Plan
Office of the Government	January 2004	SR0110-01-01-0006 / TLP01-02 Draft Final Report
Office of the Government	June-July 2004	2003-004-995-01-04 Inception Reports
Office of the Government/NBS	July 2004	SR 0110/TLP 01-20 ToR, Manual
Office of the Government/NBS	July 2004	2002/000.610-04 ToR, Inception Report
Office of the Government/NBS	July 2004	2003-004-995-03-01 ToR
Ministry of Environment SR	February-August 2004	Minutes from monthly meetings
Ministry of Environment SR	February-July 2004	All projects monthly reports
Ministry of Environment SR	November 2003	SR 0110 –009,11 and 14 ToR
Ministry of Environment SR	May-June 2004	UIBF 2002 ToR, Inception Reports
Ministry of Environment SR/Province of Turin	June 2006	02/IB/EN/01 Covenant, TS, Quarterly Reports 1-4
MoEnv/Ministry of External Affairs Greece	September 2003	SK 02/IB/EN/02 Covenant
Ministry of Environment SR/Federal Ministry of Env. Germany	September 2003	02/IB/EN/03 Covenant, TS, Quarterly Reports 1-2,
MoEnv/Austrian Federal Ministry of Env.	June 2004	SK 03/IB/EN/01 Covenant
Ministry of Environment SR/Federal Environmental. Agency Austria	July 2004	03/IB/EN/02 Covenant, TS,

## ANNEX 4

### Recommendations from previous Interim Evaluation

Interim Evaluation Report No. R/SK/INT/03.047 on INT, issued 17 July 2003

**Programmes/Components evaluated:** SK-0005 'Border Inspection Posts'; 2002/000-610.05 'Transmissible Spongiform Encephalopathy Control'; 2002/000-610.06 'Integrated Administrative and Control System'; 2002/000-610.07 'Phytosanitary Controls'; 2002/000-610.08 'Registration of Producers of Plants and Plant Products'; SK-0010 'Small and Medium Enterprises Census'; 2002/000-610.09 'Implementation of INTRASTAT-SK System'; 2002/000-610.10 'Strengthening of Regional Statistics/REGSTAT'; SK-0004 'Act on Technical Requirements'; SK-0007 'Environment'; 2002/000-610.16 'Discharge of Dangerous Substances'; 2002/000-610.17 'Integrated Prevention and Pollution Control'; 2002/000-610.18 'Conservation of Natural Habitats'; SR-0105 'Energy Policy'; SR-0106 'Rail Sector Harmonisation'; SR-0104.01 'Market Surveillance System'; SK-0003.01 'State Treasury'; SK-0003.02 'Bad Debts Recovery'; SR-0104.02 'National Management Information System'; SR-0109 'Public Internal Financial Control'; 2002/000-610.20 'Information System for Law Enforcement in the Slovak Custom Administration'; 2002/000-610.04 'Financial Sector Supervision'.

Recommendation	Applied	Responsibility for Follow-up	Deadline	Remarks
The MoE/Section of Consumer Protection should carefully review the possibilities for maximise the outcome of the SR-0104.01 assistance, with a view to focus the assistance mostly on enforcement and implementation of related EU legislation and consumer protection awareness. Moreover, the Ministry should substantially increase its contracting, should improve the co-ordination and management activities demonstrated so far for this project and should also significantly strengthen its project monitoring and reporting.	Yes	Ministry of Economy / Section of Consumer Protection	With immediate effect	The Project Team Leader from the MoE was replaced by the representative of the Slovak Trade Inspection; thus the project ownership was transferred to the appropriate institution and project activities were initiated and implemented.



## ANNEX 5

### Dissenting Views and Comments not incorporated

#### A) Dissenting Views

Party/ Comment	Reference	Evaluators Response
<b>Ministry of Finance of SR</b>		
Please delete ...'because of lack of experience from the side of beneficiary with Phare assistance. The shift in the design from TW to TA as it is correctly pointed out was caused by insufficient offers received during the selection phase, poor quality of a received proposal in the second round of call for proposals as well as long subsequent approving procedures.	Para 44	It is the Evaluators view that a certain part of these stated difficulties can be attributed to uneven beneficiary performance.

#### B) Comments not incorporated

Party/ Comment	Reference	Evaluators Response
<b>European Commission Representation</b>		
Apparently... (to my knowledge, it does not seem to be a cause of the lack of cooperation from MoCRD.	Para 46	The evaluators basically agree with this statement, however, more could have been done from the side of the contractor to avoid some of the problems.
Two projects under UIBF for Customs are not mentioned there at all (Training on handling informants, Risk analysis techniques in excise duties)	-	The list of projects provided for the IE by the ACU and agreed during the respective k/o meeting did not include these two projects.
<b>Nuclear Regulatory Authority</b>		
Relevance 2 (instead of 1) because in my opinion the project implements the recommendations contained in the Council Report on Nuclear Safety in the Context of Enlargement (part III.2) and implements the relevant decisions of the government. Without doubt the project makes an important contribution to nuclear safety and to the protection of the environment. The performance of the contractor is excellent taking into account the difficulties during the preparation of	Page V, D, performance indicators , line 2002/000-632.09	Undoubtedly, the project is in line with official policies of the government and EC. However, having in mind that this situation persists for a long period of time and governmental decision was adopted in 1997 but not much has happened in that area, the Evaluators do not consider it to be the top priority. Equally, the support provided to the ENE sector from EC side has not been focused on the

the relevant project documentation which were in some cases outside the responsibilities of the Slovak side. Despite of the time delay in contracting the project the project is in line with the originally envisaged time schedule thanks to the efforts of the project management.		nuclear safety issues so far.
In the column indicators of achievement, I propose to add the following sentence instead of n.a.: "Preparing the project for the safe decommissioning of the nuclear power plant"	Page 39, Annex 1, Table on IoA, line on the decontamination	Provided that the indicators are subject to any changes it should be officially agreed and mentioned in the monitoring report.
In the column indicators of achievement, I propose to add the following sentence instead of n.a.: "Improved waste management infrastructure".	Page 39, Annex 1, Table on IoA, line on the waste management	Provided that the indicators are subject to any changes it should be officially agreed and mentioned in the monitoring report.
<b>Statistical Office of SR</b>		
See table in the Annex.	Financial and Contractual Data Table	The provided data in the IE Report reflect the situation at the cut-off date of the IE, thus no change.
<b>Ministry of Environment of SR</b>		
SHMI twinning light projects (TWL 2001 SR 01 10 01 010009 and TWL 2001 SR 01 10 01 01 0014) are very important and their results are launching points for following activities in the implementation of the relevant EU Directives requirements. <i>Hydromorphological assessment protocol</i> and <i>Models for biological reference conditions prediction</i> belong to crucial elements for water monitoring and following water quality status determination, which will have impact on measures needed to be taken to achieve Water Framework Directive (2000/60/EC) goals and to avoid financial restrictions if the requirements are not met in date.	Para 10	The MoEnv information here provides only further detailed explanations, which however do not influence the statement given in the IE report.
Regarding the above mentioned facts it should be appropriate and correct when describing the importance of Protocol on hydromorphological assessment.... in ongoing "water" directives implementation processes to mention importance of SR 01 10 01 01 0014 project. This project is closely interconnected with SR 01 10 01 01 0009 project, even more then the connection between hydromorphology and dangerous substances highlighted in the Interim Report.	Para 33	The SR 01 10 01 01 0014 project is adequately discussed in the relevant para of the IE report.
<b>Ministry of Finance of SR</b>		
The sentence "Both projects were originally foreseen for WB financing but missed the deadline for submission of proposals." is proposed to be deleted. The PIU Phare has no knowledge on these two projects to be	Para 44	The statement given in the IE Report is clearly based on information gathered from interview.

originally financed by the World Bank, although they were prepared with the assistance of the World Bank PFMR Coordination Team.		
<b>Ministry of Agriculture</b>		
We can not agree with the statements that CCTIA as well as SVFA should ...allocate sufficient resources for PHARE management... In reality, a person responsible for each project was appointed moreover each project had/has its Slovak project leader who is the employee of the beneficiary institution. These people are taking part in regular monthly monitoring of the implementation of the PHARE projects implemented by the MoA.	C) Main recommendations	The Evaluators do agree with the MoA statement that there are staff appointed, however the time allocated for management of PHARE projects has been too limited, as in case of SVFA. In case of CCTIA, people are dealing only with particular activities concerning their Department/immediate scope of the work but are not able to provide information and overall understanding about other contractor's activities within the project.

## ANNEX 6

### Annex to Chapter 1 Sectoral Background and Scope of the Evaluation

#### Component 1 – Agriculture (AGR)

##### **SK-0104 Support of Market Surveillance System in Consumer and Health Protection**

- Support of Food Market Surveillance in Consumer and Health Protection (TW) & Equipment for Food Market and Rapid Alert System for Food and Feeding Stuff

The TW was launched to carry out an evaluation of the food control system and to create an effective food control system, in line with EU legislation, as well as to ensure the connection and operation of the EU Rapid Alert System for Food and Feeding Stuffs (RASFF). The equipment required for the operations was specified, purchased and is fully used. Based on the analysis of the official food control bodies (Ministry of Health (MoH) – Office of Public Health, Ministry of Agriculture (MoA) – State Veterinary and Food Administration (SVFA), Central Controlling and Testing Institute for Agriculture (CCTIA) and their regional and district offices) a proposal was made and technical improvements took place. The National Contact Point (SVFA) was established and the system is running, providing data to the RASFF network and receiving data from other EU countries. A number of training sessions were organised for the staff of the involved institutions on the use of the system and practical training was delivered during the study tours on laboratory methods, used for food control. The draft decree for the application of RASFF was prepared and approved, and proposals were made and also adopted for the amendment of the Foodstuff Act. During the recent EC mission, the unofficial feedback on the RASFF system operations was positive. The co-operation agreement among the MoA, MoH and Ministry of Economy (MoE) was signed. MoE also consulted MoA on the establishment of a rapid alert system for non-food products.

- Support to Market Surveillance System & Equipment for Market Surveillance System

The project aim was to set up a global, co-ordinated and efficient market surveillance system in the SR. It comprised a series of training seminars, workshops and roundtables for administrative officials and members of consumer-oriented non-governmental organisations (NGO) and entrepreneur associations dealing with consumer protection. Internships in EU countries were organised for the Slovak administrative officials to allow for hands-on experience to be developed. Another part of the activities was devoted to the production of a manual for NGOs and to the design and development of a web site for promoting communication and awareness. Due to numerous staff changes at the MoE and Slovak Trade Inspection (STI) it was not possible to retrieve why and who initiated the project. Nevertheless STI was eventually asked to implement the project and tried to fit some training activities into the original design. The training was delivered mainly to STI inspectors, but also to some representatives of Customs (CUS), National Labour Inspectorate, Institute of Public Health and occasionally MoE were also present.

Due to the delayed start of the project, training activities were performed at the time when 80% of EU Directives were already incorporated into the Slovak legislation. Training thus served to confirm the correct interpretation of Directives and provided practical examples as well as new information in the areas where no previous experience exists (e-market). The study trips provided hands-on experience on the EU system of rapid exchange of information on dangerous non-food products (RAPEX), as well as on the non-compulsory system EHLASS. The manual for NGOs has been prepared, leaflets for consumers should be printed soon, a number of web pages were created for individual NGOs and the general web page for NGO use is about to be completed. However, its further maintenance remains unclear as no funds are available. The equipment supply has been completed before the start of the TA project and included purchase of notebooks for inspectors; co-financing sources are to be contracted soon for additional supply. The purchased servers are not installed, since they have to wait for completion of STI Information System (IS), to be funded by the state budget. The two parts of the 2001 Market Surveillance programme (MoA, MoE) have not established any mutual linkages and have not been informed about progress in their respective areas.

#### **SR-0110.01.01 Twinning Light Facility (TWL Facility)**

- Common Agriculture Policy (CAP) on Sugar: The project was designed with a specific aim to implement CAP mechanisms in the sugar sector. Workshops were organised for Agriculture Paying Agency (APA) staff with the TWL experts assisting in legal issues, licenses, securities, export refunds, finance and reporting. Proposals on how to administer the process were prepared and implemented and a manual was prepared describing all necessary procedures. The actual reimbursement of sugar export compensations is taking place since July 2004.
- Marking and Identification of Sheep, Goats and Pigs: The objective was to complete the system of marking, registration and identification of farm animals. A proposal for a decree for registration had been prepared by the MoA already before the TWL start and was subsequently approved. The most appropriate system for the sheep, goats and pigs registration and identification was sought to enable its future use for the Integrated Administrative Control System (IACS). The developed central database for farm animals contains module on beef cattle and another two modules on sheep and goats, and pigs were laid out. Information materials for the registration were developed and distributed and two seminars were organised for associations and veterinary doctors. The central database is partly operational. The risk analysis is taking place to ensure full future use of the database for the IACS payments.
- APA for EAGGF: The aim was to prepare APA staff for administering the CAP through the provision of training courses, workshops and study tours on four commodities - cereals, milk and dairy, beef and calf, and pork. APA staff were provided with consultancy and on-the-job training on how to proceed with intervention purchase, sale, storage, on how to issue licenses, to provide export refunds, and on communication. Four study tours were organised to provide practical examples. Procedural guidelines and the system for buying, storing, disposing and controlling of intervention stocks from storage were created.

**2002-610.05 Control TSE (Transmissible Spongiform Encephalopathy) – Food Safety**

- The TW project has focused on the screening and eradication of TSE. Most of the activities were performed as practical training for the specialists dealing with various newly introduced standard testing procedures required by the EU. A number of missions have been undertaken to review the ‘state of art’ of SVFA and other concerned laboratories in terms of equipment needs, organisation, etc. Training sessions were organised on brain sampling, neuropathology, immunohistochemistry, microscopic detection of animal components in animal feedings, and genotyping, and numerous procedural aspects were explained and demonstrated. Also, an upgrade of the computer system for epidemiological data is foreseen. All activities are running in line with the schedule and where needed necessary adaptations have taken place. Assistance is also being provided for drafting of necessary manuals. The capacity to perform TSE screening has been upgraded. So far it has not been decided yet which laboratory will fulfil the role of the National Reference Centre. Originally, most of the tests were performed in SVFA’s specialised laboratory in Zvolen. However, recently in connection with the EU accession, most of small slaughterhouses in that area had to be abolished and therefore the majority of tests is currently performed at the Neuro-Immunological Institute in Bratislava, managed by the Slovak Academy of Sciences.
- The Prionic tests that have been purchased as the supply part of the programme were originally delivered to Zvolen. Due to the reduction of required tests, the next instalment of test supply has been postponed. Future financing of tests after the project completion remains at present unclear.

**2002/0000-610.06 Development of IACS (Integrated Administrative and Control System)**

- Development of structures for the implementation of IACS (TW) & Supply of IT equipment for the implementation of IACS – SW&HW: The TW assisted with the introduction of IACS at the newly established APA. The TW started at the time when the decision on a full or simplified IACS scheme was still pending. Then, the newly adopted Directive enabled the establishment of the simplified system. The TW dealt with legal issues – preparation of proposal on adjustments of national law -, recruitment plans and job descriptions, preparation of the manual for ‘on-the-spot-control’ as well as training. The TW contractor closely co-operated with the company preparing the IS for IACS. The system made operational on 1 May 2004 and the first applications are collected and currently processed (12,399 applications were received out of 16,500 distributed). Animal payments were excluded, depending on the progress of the animal registration system. HW supply was completed and the APA central office, eight regional and 36 district units are equipped and interconnected.
- Pre-accreditation Audit of APA: The MoA asked for TA to manage the necessary accreditation process, however, ToR preparation was delayed. The tender had to be repeated because of a lack of offers and a last-minute decision had to be taken by

European Commission Representation (ECR) to enable the pre-accreditation of APA. Pre-accreditation was granted and the accreditation process is currently repeated in order to check whether the corrective measures were introduced.

- Assistance to IACS: To ensure full operations of APA from the date of the accession onwards, TWL support was also needed for the APA procedures linked with IACS. TW consultations were provided on accounting methods in accordance with international standards, on harmonisation of accounting SW to IACS, reporting system in the EU, on risk analysis and on harmonisation of IT security documentation with relevant standards, following findings of the audit.
- Training on IACS Administration and Controlling: This framework contract (FWC) delivered three types of training activities: (i) staff of APA regional offices was trained on how to conduct on-the-spot-control; (ii) an institution was identified (Slovak Chamber of Agriculture) and its staff were trained on how to provide assistance to farmers on application-related matters; (iii) a series of training seminars (16) was conducted to explain farmers (1,800 participants) how to apply for EAGGF support. Training for Chamber's staff was shortened due to the time pressure and an additional seminar was conducted for internal audit staff of APA.

#### **2002/000-610.07 Enhancement of Phytosanitary Controls of Plants and Plant Products**

- Training Programmes: The project fiche (PF) sets out an objective referring to the strengthening of the phytosanitary control on the future EU external borders. The original design (ToR) of this TWL project referred to processing and assistance in drafting the technical specification of the quarantine glasshouse project, training of experts responsible for its operations and training of phytosanitary experts on how to run the glasshouse and on laboratory diagnosis. The main focus of the project activities were in fact study tours. The first two tours were organised with an aim to clarify technical details needed for the specification of the glasshouse. The next tour was focused on phyto-pathological problems of vineyards, followed by internships for Border Inspection Post (BIP) inspectors, general and special diagnostics specialists. Two missions of TWL short-term experts to the future location of the glasshouse took place. Seminars were provided to the phytosanitary inspectors (including BIP staff) on procedures for certain types of bacteria and virus, on quarantine organisms, phytosanitary controls on external borders, phyto-pathology questions in the forestry, and on a guide on phytocontrols. The final report refers to numerous meetings, preparatory activities before study tours and their subsequent evaluation. For a period of four months this project took place simultaneously with the 2001 TWL on Registration, performed by the same contractor.
- Construction of Quarantine Glasshouse/Equipment: The construction works are mostly being tendered from co-financing sources. Tender evaluation should take place soon.

**2002/000-610.08 Registration of Producers, Importers and Exporters of Plants and Plant Products**

- Establishment of Registration System: The TWL was supposed to elaborate proposals for the registration system and related activities, and to deliver training programme for the CCTIA and phytoinspectors and information seminars for producers. The TWL final report mentioned four seminars delivered to inspectors and BIP staff related to passports and three study tours conducted for CCTIA staff. Reference is also made to the specification of IT for registration and passports duplicating TA efforts.
- Upgrade of IT system: The contract has not been launched yet.
- TA to Draft Technical Specification (TS) for Upgrade: A FWC stated nearly identical objectives as the TWL project but eventually it provided an assessment of the new registration system by comparing it with the EU registration requirements, resulting in a number of recommendations. The other part of the TA project was dedicated to the preparation of the TS for the development of the computerised recording system.

**2003-004-995-03-02 Support of Agriculture Food Chain in Comprehensive Food Safety Policy**

- Support of Agriculture Food Chain in Comprehensive Food Safety Policy (TWL)
- Supply of Laboratory Equipment

The contract is expected to be signed in October 2004 with the same contractor as for the 2003 Animal Protection programme. The activities should include training of veterinary staff dealing with food safety, establishing of technical requirements and administrative procedures for testing and monitoring the presence of foreign bodies in AGR products, and upgrading of laboratory equipment for controlling, testing and labelling of the various foodstuff of animal origin.

**2003-004-995-03-03 Veterinary and Phytosanitary Border Inspection Posts (BIP) – II. Phase (Bratislava Airport BIP)**

With the help of PHARE, the BIP at Bratislava airport has been established and the most basic equipment is available. TWL training was carried out for the veterinary and phytosanitary inspectors in order to familiarise them with standard proceedings. Instructions were also provided for data transmission with reference laboratories. The veterinary part is not operational yet since the necessary equipment is still missing; the phytosanitary part is in the position to conduct partly the compulsory check. The supply of equipment has been just tendered, after delivery the BIP is expected to commence full operations in line with EU requirements.

**2003-004-995-03-04 Animal Protection during Transport**

Although the system is already introduced and should work in line with EU requirements there is a need to confirm its correct use in particular whether the reporting obligations are correctly performed and the right sequence of procedures is ensured. Although the TWL contract was signed in April 2004, the contractor refused to start the work unless receiving the advance payment. Despite letters sent by the MoA, ECR and SVFA no reply has been received from the contractor on the starting date. The advance payment



could be forwarded only by 20 August 2004 because of delays that occurred during the procedure for transferring funds from the European Commission to the National Fund. This caused a situation where the first financial sources allocated for 2003 PHARE became available only by 18 August. Despite a six-month delay, the beneficiary is of the opinion that the activities can be delivered before the expiry date of the contract, provided that the contractor starts to work immediately. The accompanying TA project and equipment supply are not contracted yet.

#### **2003-004-995-01-04 UIBF**

- Monitoring of Classical Swine Fever in Wild Boar: The TWL contractor has been selected and the project should commence soon. The activities should focus on the census of wild boar population, alignment of disease control measures, improvement of disease monitoring and preparation of a proposal for vaccination of wild boars.
- Audit Assistance to APA in execution of Audit of Guarantee Section in APA: This TWL project has not been contracted yet but should deal with the preparation of training for auditors, dealing with the audit of the EAGGF Guarantee Section (preparation of audit programmes, audit sampling, preparation of sufficient audit documentation, and preparation of audit reports).

#### **Component 2 – Cadastre and Statistics (CAD&STA)**

##### **2003-004-995-02-01 Land Administration and Cadastre Infrastructure**

- GCCA Management Training and Staff Development is so far the only project that was contracted and also completed. Five training sessions were organised to train specific target groups (top management, IT specialists, and future trainers) of the Geodesy, Cartography and Cadastre Authority (GCCA). The training needs analysis elaborated by the previous PHARE project was used and the training sessions focused on the introduction of European standards and practice and on comparison with the current local situation. Additionally, a human resource development plan for the GCCA was elaborated.
- Tendering for the TA project is on-going. The TA project will comprise (i) an institution building part focusing on the need to transform the GCCA from a rather technical organisation towards a client-driven provider of information services, and (ii) a system integration part dealing with SW development and related training.
- The activities should be complemented by SW and HW supply, which are still under preparation.

##### **2002/000-610.09 Implementation of INTRASTAT – SK System**

- TA to ToR and TS Preparation: A FWC provided the requested documents in order to enable the subsequent tendering of other 2002 STA projects.
- TA: Another FWC focused on the methodologies that are obligatory to comply with EUROSTAT requirements. Since most of the methodologies had to be clarified already during the work on the TS, most of the activities dealt with data processing.
- TA to SW Development and Testing of Data Processing & Supply of Technical Equipment for INTRASTAT Administrative Structure (IAS): The originally

planned TW had to be converted into a TA project. Therefore, contracting took place only in December 2003 while it was clear that the system had to be operational by 1 May 2004. The efforts on both, contractor's and beneficiary side, enabled to complete the system by that date. However, it was not possible to ensure full operations by that date. Currently, the data are processed as requested but still partly done manually by using the old system while full operations of the new system are expected by December 2004. The new system will also include the EXTRASTAT module – covering trade with the third countries - instead of originally planned module for customs, which has been developed by the Customs Authority. The equipment was delivered and installed.

- Training of IAS staff: This project is just about to be tendered. It will deliver training to three groups of final beneficiaries – staff of the Statistical Office of the SR (SOSR), CUS and tax offices, and importers/ exporters.

### **2002/000-610.10 Strengthening of Regional Statistics – REGSTAT**

- TW & Equipment supply: The changes introduced by the public administration reform together with the need to communicate statistical data for clients inside and outside of the public bodies emphasised by the introduction of Structural Funds (SF) have resulted in the REGSTAT programme. The TW activities started with an analysis of the requirements of statistical data and indicators. Appropriate methods for measuring the development in regions at different levels were selected. Availability and quality of regional statistics and the possibilities to adopt new data sources were assessed. The system integration requirements were set out and strategic guidelines for the development of the regional statistics elaborated. The TW has provided SOSR with recommendations for the specification of the overall architecture of the regional statistical database (REGSTAT), the definition of its content, specifications of the primary regional breakdowns for different statistical branches and defined some regional indicators, which should be included in the REGSTAT system to monitor the regional socio-economic development of the country. The specified equipment was delivered, installed and is being used.
- TA: The aim has been to design and develop SW for the regional database and application SW for a user-friendly access to the data for external users. The system which is being developed will provide flexible tools for linking the data according to the different statistical regions, EU requirements and specific ad-hoc regional breakdowns, and should provide presentation tools for these data.

### **2003-004-995-03-05 Enforcement of New *Acquis* in the Field of Statistics**

Here, no projects have been contracted yet. The objective of the intervention (covering TWL, TA, SW development and equipment supply) is to complete the integration of the Slovak statistical system into the EU. Individual activities will deal with social statistics (income, health, education, housing etc.), data processing system for financial accounts and balance sheets and a new information system for iron and steel statistics.

### **Component 3 – Energy and Transport (ENE&TRA)**

#### **SR-0105 Energy Policy in the Slovak Republic**

This TW was supporting the responsible Slovak authorities in charge of the regulation in the energy network industries, energy efficiency and renewable energies, and the management of oil stocks. Accordingly, the project was divided into three sub-projects: (i) implementation of legislation on energy regulation for the Regulatory Office of Network Industries (RONI), (ii) further improvement of energy efficiency and the use of renewable energies in co-operation with the MoE, and (iii) management of obligatory oil stocks for Administration of State Material Reserves (ASMR):

- **RONI:** The TW assisted in preparing an amendment of the Act on RONI, mainly ensuring its harmonisation with the new EU Directives on electricity and gas. Assistance was provided also on secondary legislation and on the practice of building up the structures and measurements for the regulated bodies.
- **MoE:** The TW prepared recommendations for harmonising the legal framework for internal market on electricity and gas. Some recommendations were incorporated into new/amended legal drafts. The concept of the ENE sector has been substantially changed and the market should become more liberal. The prepared drafts of the Act on Energy and of the Act on Heat were approved by the government and went for Parliamentary discussions. The Act on Heat includes preliminary provisions on the purchase of electricity generated from renewable energy sources (RES). The Directive on RES was incorporated into the amendment of the Act on RONI and into the draft of the Energy Act.
- **ASMR:** The TW experts in co-operation with ASMR elaborated three optional proposals for establishment of the Oil Stocks Agency in SR. The final decision on this issue is still pending due to the expected transfer of the ASMR to the MoE. The existing rules of National Emergency Sharing Organisation will have to be reviewed once the new structure of oil stocks system is known. Substantial assistance was provided also on energy statistics.

#### **2002/000-632.09 Decontamination of the Bohunice NPAA-1 Primary Circuit**

Due to a number of accidents in the nuclear power plant 1 of Jaslovske Bohunice its operations had to be stopped in 1977. The decontamination of the power plant commenced only 20 years after and should be completed by 2030. A local company specialised in this service area was contracted to perform the job. The project started in May 2004 with measurements and mapping of contamination and should further continue with the removal of the reactor and decontamination of the primary circuit. The activities are progressing in accordance with the agreed plan.

#### **2003/5812.07.01 Technical Support to SR in Establishing the National Agency for Disposal of Radioactive Waste**

The purpose of the project is to prepare a feasibility study with several options on how to establish an Agency, dealing with radioactive waste disposal. In accordance with the valid legislation, such Agency should be established in January 2007. ToR are currently waiting for approval.

**SR-0106 Rail Sector Harmonisation**

The accession process has accelerated the need to transpose relevant legislation/ EU Directives concerning the railways sector liberalisation into the Slovak legislation. The concerned TW dealt with these issues and specific attention was paid to the establishment of an appropriate regulatory body to oversee the upcoming liberalisation of the market. A legal draft was prepared, fully conversant with latest EU Directives. The proposal was submitted to the Governmental Legislative Council which however did not agree with the new act and instead requested to incorporate the proposal into the already existing legislation on railways. The amendment of the law was prepared including the proposal to establish the Regulatory Authority for Transport and Liberalisation of the Railways Market. During the commenting period the MoF objected to the establishment of the Regulatory Authority due to budgetary restrictions. The proposed amendment will be submitted for the Parliamentary approval so that it could enter into force from January 2005 onwards. If this does not take place and budget is not allocated, the Regulatory Body might not be established. The originally postponed study visits for staff of the Regulatory Authority will not take place, despite an extension of the project, since the Authority is still not established.

**2003-995-01-04 UIBF Road Transport (Social Legislation) Alignment**

The project's objective was to help the Ministry of Transport, Posts and Telecommunications (MoTPT) with the preparation of primary and secondary legislation in the area of social legislation – namely the use of tachographs. The legislation was reviewed and recommendations were prepared, secondary legislation was drafted and incorporation of recommendations into the secondary legislation will follow.

**Component 4 – Environment (ENV)****SR-0110.01 Twinning Light Facility**

- Protocol on Monitoring of Hydromorphological Elements: This TWL aimed at establishment of a protocol on the monitoring and assessment of the hydro-morphological quality elements of rivers as an integral part of the assessment of ecological status of the surface water. The main output of the assistance is the assessment of the EU principles and techniques used for water monitoring and the Protocol on Monitoring and Assessment of the Hydro-morphological Elements, which should be approved by the Ministry of Environment (MoEnv) later this year.
- Biodegradable Waste focused on an overview of methods for recovery and disposal of biodegradable waste in the EU. The main output is (i) strategies for treatment of biowaste, (ii) manuals for municipalities on management of biowaste, landfills regulations and (iii) economic instruments to handle waste of households.
- Classification of Surface Water Status is closely connected to the relevant 2002 TW and aims at implementation of a model appropriate to assist in prediction of biological reference conditions, as a basis for classification of surface water status in the SR in accordance with the Water Framework Directive (WFD). A model suitable for reference conditions was selected and tested in Slovakia. However not

all aims of the project have been met due to problems on the Slovak side with timely delivery of the needed results from the Water Research Institute (WRI).

- **Biocidal Products**: The Centre for Chemical Substances and Preparations (CCSP) is the national Competent Authority responsible for biocides management, registration, authorisation and approval of new products. The assistance provided enabled to set up appropriate infrastructure, resources, legal framework, information management, administration, technical organisation, methodology and to implement the evaluation tasks. An amendment of the law took place, based on the project's recommendations, and further incorporation of the recommendations is taking place. The concerned public, producers as well as NGOs, were informed about important aspects of biocides regulations.

### **2002/000-610.16 Discharge of Dangerous Substances**

The TW focuses on implementation of the EU Directive on pollution caused by dangerous substances discharged into water. The assistance should introduce a relevant national monitoring system, implement a programme for elimination and reduction of dangerous substances and should also develop guidelines for the permitting process. The programme includes also a training element both for relevant public authorities and industry representatives. Special equipment supply (co-financed from local resources) is envisaged for the National Reference Laboratory for water analysis. Under this 26-month intervention the TS for equipment for the reference laboratory has been prepared (the equipment was then delivered in August 2004). Moreover, the water part of the National Pollution Reduction Programme was completed in December 2003 which later became a part of the Slovak law. The TW has also assisted in developing a database, whose main parts are already functioning. Budget savings have been used to prepare a TS for data station and SW for regional and district offices, which have been submitted to the Central Contracting and Finance Unit (CFCU) at the end of July 2004.

### **2002/000.610.17 Integrated Prevention and Pollution Control (IPPC)**

The TW arrangement includes, among others, the development of a national pollution and emission register according to the IPPC Directive, SW and database development for the national IPPC, setting-up of a reporting mechanism and training-of-trainer activities both to staff of the Slovak Environmental Agency (SEA) and relevant authorities and the industry. Complementary laboratory equipment for the mobile IPPC laboratories, HW and SW and equipment for the training centre was delivered by the end of June 2004. The TW assisted, *inter alia*, with assessment of the Slovak IPPC legislation and preparation of recommendations for adoption of the necessary secondary legislation. Moreover, the existing environmental IS was assessed and a database of legal landfills developed.

### **2002/000.610.18 Conservation of Natural Habitats**

The programme focuses on an information campaign on Natura 2000, preparation of guidelines for management plans for protected areas, provision of technical equipment for regional and local branches of the SNC and training of staff from relevant institutions on Natura 2000. So far, the TW has succeeded in preparing information materials on NATURA 2000. Under the TW guidelines for preparation of management plans have

also been drafted in early September 2004, later to be used for preparation of management plans. The HW for the SNC and its departments was delivered and bulk the SW developed in September 2004 (the rest to be finished by November) together with the complementary training. The complementary TA for publishing of the materials will be completed later this year.

### **2002/000-610.02 UIBF**

- The Public Information Network on SF Utilisation project should facilitate the development of skills and professional abilities of MoEnv/SEA staff who will be involved in co-ordination, management, information, evaluation and preparation of SF projects. So far, the design of an inter-active system for collection of project proposals from beneficiaries was completed, together with a training needs analysis for a group of SF consultants. More training activities, including manuals for SEA SF consultants will be completed by the end of the year.
- The purpose of the TA project MoEnv Preparation for SF Implementation is to review and improve internal manuals of implementation procedures under the Managing Authority and Paying Authority, so that the Implementing Agency for Environmental Investment Projects (IAEIP) is properly prepared for SF implementation. Manuals on SF procedures have been reviewed and sent to external auditors by the beginning of September 2004. A guide on the eligible costs for final beneficiaries shall be finished by the end of the year.
- Assessment and Management of Environmental Noise: In the environmental area, a new draft was already submitted to the Governmental Legislative Council on the assessment and management of environmental noise. The project has focused on the elaboration of secondary legislation, methodologies and guidelines for the implementation of the concerned legislation. The most convenient methodology has been selected and modified to local conditions. The provision of guidelines is considered as the most flexible solution for the presentation and future use of the results. Seminars are planned for the concerned institutions (local authority, municipalities, road and railways administration) to familiarise them with the legal requirements and to provide basic necessary tools for public procurement of the measurements as well as to present the model action plan for required corrective actions.

### **2003-004-995-03-16 Institutional and Capacity Building in the ENV Sector**

This programme involves all ENV enforcement bodies, such as SEA, Slovak Environmental Inspectorate (SEI) or Slovak Hydro-Metrological Institute (SHMI) and intends - via TW, supply and training – (i) to implement a standardised reporting on air, water, waste and nature based on a clearing-house, (ii) to create a national reference centre network and its connection to wide area networks, (iii) to assist SEI in relevant data selection for monitoring and communicating to other MoEnv bodies, (iv) to improve data quality and transfer at the SHMI, together with an upgrade of sampling and analytical equipment and laboratory capacity. The TW was signed by the end of June 2004. Data flow schemes in the SHMI and SEA and a review and updating of Slovak reporting obligations have been completed in the meanwhile.

**2003-004-995-03-17 Biosafety Monitoring System (Genetic Modified Organisms – GMO)**

The programme comprises TW, equipment supply, development of a database and training of laboratory staff and aims at an improved GMO monitoring, detection and inspection. The related TW has been signed by the end of July 2004. Supply of special equipment for three laboratories has been at the tendering stage

**2003-004-995-03-18 Implementation of Council Directives on Electric and Electronic Scrap**

This TA should provide surveys on the existing market and possible treatment of the relevant waste, and should help in drafting the relevant legislation or revising the Slovak Waste Management Programme. Due to some potential overlaps with Danish bilateral assistance the PF had to be revised and has been still waiting for approval at the time of this IE.

**2003-004-995-01-04 UIBF**

- Capacity Building for ENV Investment Projects intends to assist the MoEnv in improving the administrative capacity for large-scale environmental infrastructure investment projects management, mostly via training. After a first unsuccessful call, the tender has to be re-launched.
- The project Management of Equipment Containing PCB for the SEA should address obligations related to the Council Directive 96/59/EC on the disposal of polychlorinated biphenyls and polychlorinated terphenyls (PCB/PCT), as well as to ensure inventory and control-management of equipment containing PCB in the SR and reporting to the EC. The TWL partner has still to be selected.

**Component 5 – Finance, Banking and Customs (FIN/BNK/CUS)****SR-0109 Public Internal Financial Control (PIFC)**

The programme finished after a three-month extension in July 2004. This TW focused on assistance to MoF/Central Harmonisation Unit (CHU) and Internal Audit Units of line ministries, and aimed (i) to strengthen internal financial control, (ii) to enhance financial management and preparation of manuals for financial management of structural funds, (iii) to train staff to use methodologies and procedures for transparent and efficient financial management (audit trail, ex-ante control, risk analysis etc.), and (iv) to define and establish a monitoring system for control of pre-accession funds and SF. The activities included, *inter alia*, analysis of the new legal framework and general analysis of the current situation at the central and regional levels concerning the procedures and structures of management, payment, certification of claims, internal financial control and audit of EU and national revenues and expenditures, preparation of relevant manuals, audit trails and drafting of budgetary legislation for SF and cohesion funds. Several study visits to member states were organised, training (including training-of-trainers) of more than 1,000 trainees delivered. Moreover, ToR for the monitoring system and assistance for selection of the relevant SW was provided and an IT monitoring system for SF created.

**SR-0104.02 National Management Information System (MIS) for CUS**

This programme for the Slovak Customs Authority (SCA) was originally foreseen as a TW. Due to lack of interests from potential TW partners, it was transformed into a TA intervention. The TA commenced in December 2003 and is divided into two stages:

- Stage A: in order to achieve the SCA interconnectivity to the EU systems by 1 May 2004 these related activities were prioritised. Necessary interfaces to the international CUS IS were established and are fully operational.
- Stage B: Here, activities that are performed after the 1 May, focusing on lower priority systems are taking place and should be completed by autumn 2004.

**SR-0110.01 Twinning Light Facility**

- Bilateral Investment Treaty: The output from this FWC includes, among others, changes to the texts of existing agreements, provision of the Model Bilateral Investment Treaty, compatible with the *acquis*, together with legal explanations and provision of tactical recommendations on how to proceed in negotiations of existing and future Treaties.
- Establishment of the Tax Investigation Office (TIO) within the Tax Administration: TIO was established in 2002 based on the recommendations of the European Commission and the International Monetary Fund to deal specifically with crimes committed in connection with the breach of tax regulations. The TWL was designed to improve technical abilities of the new TIO staff. Five training sessions were organised and dealt with the following topics: collection and use of information, right and modality of enquiry, audit of large companies, VAT audit and fight against corruption. Two study visits took place to study IT systems and the audit of large companies. A manual for audit procedures was developed and distributed to tax auditors on local level. Also, a database of tax law failure detected during tax audits was developed. The tax audit plan for the second half of 2003 was prepared, based on a simple SW developed during the project. However, at the time of this IE TIO a new draft on tax bodies has been under Parliamentary discussions, which could also lead to the abolishment of the TIO.
- Harmonisation of Value Added Tax (VAT) Legislation within the unified EU market: The MoF/ VAT Division prepared a new structure of the VAT Act and assistance was needed for harmonisation of legislation in the field of VAT taxation applicable to the intra-community supplies of goods and services. Detailed explanations were given to MoF staff on how taxation works within the EU and two study visits were organised for the same purpose. The new VAT Act was approved by the Parliament and is valid since 1 May 2004.
- Design of Budgetary System for contribution from/to the EU budget: The project dealt with the calculation of contributions to the EU Budget system and application of methodologies for public expenditure estimation in compliance with EU rules. The management of financial flows and accounting procedures for the traditional own resources were designed. The methodologies for calculations and estimations were introduced in line with EU Directive and based on that the transfer of contributions is performed monthly since the date of the accession.



- Performance Management in the Slovak Tax Administration intended to introduce performance management in the Tax Administration. Seven seminars for MoF top management were delivered and assisted to develop strategic documents. The Strategic Plan for 2004 – 2008, Implementation Plan for 2004, Communication Plan and also a manual for implementation of the performance management tool into practice were produced and are being used by the Tax Directorate.
- Strengthening the Banking Supervision to Implement Anti-money Laundering Measures aimed at prevention of illegal financial operations in the Slovak banking sector. The main outcomes were the Guidelines Manual for the banking sector and the Inception Programme for the on-site banking supervision to review anti money laundering.

#### **2002/000-610.04 Financial Sector Supervision,**

This programme for the Financial Market Authority (FMA) and the National Bank of Slovakia (NBS) aims at the development of procedures and technologies for integrated market operation control in banking, financial and insurance transactions. The programme - originally planned as a two-year TW is now implemented as a TA under two separated projects:

- Strengthening Financial Sector Supervision -TA addresses institution building support to the FMA, expert and legal advice to the NBS/banking supervision and training. Several missions in the area of insurance, investment funds and Austrian FMA together with a workshop on investment funds have been taking place yet.
- SW Development and Expert Advice on Early Warning System for FMA and the NBS: The second project focuses at development of an efficient IS for the FMA, covering also SW for an early warning system for capital market and insurance industry, together with enhancement of the NBS on-site supervision IS and risk rating system for banks. The TA contract should be completed by the end of September 2004.

#### **2002-000-610.20 Information System for CUS (Law Enforcement)**

This programme offers now TA and equipment supply focusing on IS development enabling an exchange of computer processed operative information and data between the EU and Slovakia, among the SCA and its partner units in the SR. Supply of HW and SW was completed in March 2004 and the complementary training finished by the end of June 2004. The TA part has started in May 2004.

#### **2002/000-610.02 UIBF**

Development of Strategy for Evaluation of EU funded projects: The specific objective of this FWC contract, initiated by the Office of the Government of the SR, is to develop a national strategy for evaluation of EU-funded projects in SR with possible integration of national co-financing funds also to be evaluated. A draft strategy has been prepared although under the current circumstances not all relevant partners were willing to cooperate. A Steering Committee was established and efforts to use the strategy as a common platform were initiated. At the same time also other projects have been launched dealing partly or entirely with the evaluation issue. Principal objections on the

proposed strategy were raised by the Ministry of Construction and Regional Development/ Department of Community Support Framework.

### **2003-004-995-03-25 Equipment Supply to the Slovak CUS Laboratory**

Both programmes are still at pre-implementation stage at the time of this IE, with TS being finalised. Supply to Customs Laboratory intends to provide magnetic resonance and isotope spectrograph equipment for determining authenticity and correct origin of agricultural products. The project includes a training element.

### **2003-004-995-03-26 X-ray Inspection Systems for Protection of Future EU External Border**

The programme intends to deliver fixed and mobile X-ray inspection systems for the Slovak/Ukrainian border together with the staff training. The programme planning has been influenced by an X-ray system unexpected to be received from China. Therefore, the programme has to be now re-designed in order to complement this bilateral assistance.

### **2003-0004-995-03-01 Support to the Implementation of Risk-based Supervision**

This programme for NBS and FMA, combining TW and SW development, intends to establish risk-based supervision for the capital and insurance market in Slovakia, together with support in implementing the New Capital Accord Basel II. Activities will include, among others amendment of the secondary legislation regarding risk-based supervision, development and implementation of monitoring and supervisory procedures, and training. At the time of this IE a contract notice has been published and ToR for the SW had been drafted by the beneficiary.

### **2003-004-995-01-04 UIBF**

- Review of IS in the Revenue, Treasury, Budget and Accounting Areas is aimed at reviewing the present tax, CUS, treasury, debt management and liquidity, budget and accounting business models and information systems and on providing recommendations for improvement, in particular with regard to linkages and integration. The inception report has been submitted in July 2004.
- IS Strategy for Public Finance Management Reform (PFMR) intends to assist the MoF with drafting of an IS strategy for PFMR and to provide related advice to MoF officials. The FWC is on-going.
- Protection of the Communities Financial Interests and Fight Against Fraud intends to strengthen the capacities of the financial managerial bodies of the MoF/ National Fund (NF) and three PHARE Implementing Agencies in order (i) to support the development of financial management and of a managerial environment for sound and transparent application of Community Financial Regulations, and (ii) to provide logical links between the financial managerial bodies and to establish the transparent dialogue between the responsible representatives of involved bodies. The project is under implementation.
- The MoF intervention Capacity Building for Evaluation of the Budget should establish an evaluation structure for public funds, harmonised with the system for

evaluation of EU funds, through drafting of an evaluation strategy and development of methodologies. First activities are to be launched in October 2004.

- Training of Financial Controllers intends to provide training for MoF financial controllers, focusing on sample checks of the total eligible expenditure of the SF, cohesion funds and Schengen facility. The project started in September 2004.
- Implementation of the Naples II Convention, supporting the Customs Criminal Office, aims at human resources development as concerns the practical application of the Convention dealing with management of EU internal borders. The project, just launched, will provide seminars and study visits.
- Risk Management in the Slovak Tax Administration is a follow-up of the Performance Management project. Preparation of a new organisational structure in order to improve co-operation with tax offices, as well as to strengthen mutual co-operation and communication has started in January 2004. The project has just started and should focus on the development of strategy of risk management procedures and strategy implementation.